City of Decatur, IL

Comprehensive Annual Financial Report

Fiscal Year January 1 to December 31, 2019

Imagine the Possibilities...

LIVING IN DECATUR

Choosing to live in Decatur is an easy choice both because of its impressive quality of life and local housing value. Decatur is an attractive choice for long term residents and those looking to call Central Illinois home for the first time.

WORKING IN DECATUR

Decatur, a leader in American manufacturing and technological breakthroughs, from providing the crops that feed our families to serving as a world leader in creating the fuel of the future. Today's Decatur offers a mixture of work opportunities, from traditional manufacturing to cutting edge technology development to customer service support.

PLAYING IN DECATUR

Whether you're looking to spend some time relaxing outdoors, want to shop 'till you drop or prefer your entertainment on the stage or big screen, Decatur's got something just for you. Today we offer more than 2,000 acres of parks and recreational areas and host more than 130 festivals and other entertainment events including the Decatur Celebration, Illinois' largest free family street festival. Free downtown events include the annual Cruisin' Car Show, Arts in Central Park and the summer Blues in Central Park series.

LEARNING IN DECATUR

They are local and state government officials, award winning musicians, Broadway performers and leaders of private enterprise. And they're all products of Decatur area schools. Area schools provide world-class educational opportunities, mixing fundamentals with exposure to innovative educational disciplines. Millikin University and Richland Community College combine first-rate education at a value unseen in other areas of the country.

Farm Progress Show

Overlook Adventure Park

Millikin University

Visit the City of Decatur web site at www.decaturil.gov

Comprehensive Annual Finance Report

City of Decatur, Illinois

For the period January 1 to December 31, 2019

Prepared by:
Department of Financial Management
Gregg D. Zientara, City Treasurer & Director of Finance

Cover Photo: The iconic penthouse tower of the Tate and Lyle office building.

Augustus Eugene "Gene" Staley founded a business of repacking and selling cornstarch under his own Cream brand in Baltimore in 1898. On 6 November 1906, he incorporated the business as A. E. Staley Manufacturing Company to start his own production of food starch. In 1909, Gene Staley purchased an inoperative cornstarch plant in Decatur and it became one of the largest processors of corn in the United States.

In 1988, British company, Tate and Lyle acquired 90% of the business and in 2000 purchased the remaining 10%. The name was changed from A.E. Staley to Tate and Lyle in 2005.

Inside Back Page Photo(s):

Upper left –First opening to the public in 1967, Decatur's Scovill Zoo houses hundreds of animals from cheetahs to pythons.

Middle right – The Decatur Area Arts Council introduces and promotes the arts to the City of Decatur. They provide educational programs and access to the arts to improve the quality of life in the community.

Lower left – Fairview Park accommodates many outdoor activities. It offers miles of walking, biking and jogging paths, a dog park, skate park, multiple playgrounds for all ages, several pavilions for large gatherings or an afternoon picnic. Take a stroll by Dreamland Lake and watch the ducks or play a game on the renovated tennis courts.

All photographs contained herein are courtesy of the City of Decatur archives and the Decatur Area Convention & Visitors Bureau.

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I Introductory Section

City of Decatur
City Officials

Office	Official	Term of Office	
Mayor	Julie Moore Wolfe	05-01-2017 to 04-30-2019	elected
	Julie Moore Wolfe	05-01-2019 to 04-30-2023	elected
Council Members			
at large	Dr. Dana Ray	05-01-2015 to 04-30-2019	elected
at large	Lisa Gregory	05-01-2015 to 04-30-2019	elected
at large	Bill Faber	05-01-2015 to 04-30-2019	elected
at large	Chuck Kuhle	05-01-2017 to 04-30-2021	elected
at large	David Horn	05-01-2017 to 04-30-2021	elected
at large	Patrick McDaniel	05-01-2017 to 04-30-2021	elected
at large	Lisa Gregory	05-01-2019 to 04-30-2023	elected
at large	Bill Faber	05-01-2019 to 04-30-2023	elected
at large	Rodney Walker	05-01-2019 to 04-30-2023	elected
Interim City Manager	Billy Tyus	07-22-2018 to 02-06-2019	contractual
Interim City Manager	Wendy Morthland	02-07-2019 to 03-18-2019	contractual
City Manager	Scot Wrighton	03-19-2019 per contract	contractual
City Treasurer	Gregg D. Zientara	05-01-2019 to 04-30-2023	appointed
City Clerk	Kimberly Althoff	05-01-2019 to 04-30-2023	appointed

Note: Julie Moore Wolfe was elected Mayor during the April 2017 municipal election, to serve as Mayor for a 2-year term, following the death of the previously elected Mayor Michael McElroy. Ms. Moore Wolfe was elected to a four year term as Mayor in the April 2019 municipal election.

City Manager Tim Gleason resigned employment July 21, 2018. Deputy City Manager Billy Tyus was appointed Interim City Manager effective upon the resignation of Mr. Gleason. Mr. Tyus served as Interim City Manager until his resignation from employment February 06, 2019, upon which Ms. Wendy Morthland, Corporation Counsel, was appointed Interim City Manager to serve until the start date of Mr. Scot Wrighton, in the capacity as City Manager. Mr. Wrighton assumed the position of City Manager effective March 19, 2019.

CITY OF DECATUR ILLINOIS

1 GARY K. ANDERSON PLAZA DECATUR, ILLINOIS 62523

June 29, 2020

Honorable Mayor Julie Moore Wolfe,
Members of the City of Decatur City Council,
Residents of the City of Decatur,
Stakeholders of the City of Decatur, and
Interested Parties:

This Comprehensive Annual Financial Report ("CAFR"), for the City of Decatur, Illinois ("City") for the fiscal year ending December 31, 2019 is hereby submitted.

The City is responsible for the accuracy of the information contained herewith, and the completeness and fairness of the presentation, including all disclosures.

To the best knowledge and belief of the City, the information contained in this report is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of all funds of the City of Decatur. All notes and disclosures necessary to enable the reader to gain an understanding of the financial activities have been included in this report.

Generally Accepted Accounting Principles ("GAAP") requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management Discussion & Analysis ("MD&A").

This letter of transmittal is intended to complement the MD&A and should be read in conjunction with the MD&A. The MD&A can be found in Section II of this CAFR, immediately following the independent auditors' report, as performed by CliftonLarsonAllen, LLP, which renders opinion on the financial statements of the City.

The City is required to undergo an annual single audit in conformity with the provisions of the United States Office of Management and Budget Control, and Uniform Grant Guidance.

The independent auditors' single audit report, as performed by CliftonLarsonAllen, LLP, including the schedule of expenditures of federal awards, findings and recommendations, report on internal control structure, and report on compliance with applicable laws and regulations, is included in this CAFR.

General Information

The City of Decatur is the county seat of Macon County, Illinois, and is the thirteenth (13) largest Municipal City within the State of Illinois, according to the 2010 U.S. Government Census. Macon County is the nineteenth (19) largest county within the State of Illinois, according to the 2010 U.S. Government Census. The County has a total land mass area of 581 square miles and contains sixteen (16) townships and twelve (12) municipalities / villages.

The City of Decatur is located within the central heartland of the agricultural region of the State of Illinois and is in the geographic center of the state. The City of Decatur is located approximately one-hundred (100) miles west of the Illinois and Indiana State boundary line, one-hundred and eighty (180) miles southwest of Chicago, one-

hundred and fifteen (115) miles northeast of St. Louis, Missouri, and within a region of fifty (50) mile proximity to the communities of Champaign/Urbana, Bloomington/Normal, and Springfield, Illinois.

The year 2010 U.S. Bureau of the Census population for the City of Decatur was reported as 76,122, whereas the year 2010 Census population for Macon County was reported as 110,768. The 2019 current population for the City of Decatur is estimated to be 70,746 inhabitants, with the current 2019 population for Macon County estimated to be 104,009 inhabitants, according to U.S. Census Bureau 2019 forecast estimation (current available data).

Macon County is the epitome of America's agricultural heartland. Vast expanses of corn and soybean cropland cover eighty-four percent (84%) of the County landmass. Macon County continues as a major center for agribusiness with many local and global businesses participating in a thriving manufacturing economy based in-large part on the agricultural resources in the County.

Decatur and Macon County is a vibrant and diverse area with a strong local economy based on a mix of manufacturing and service, agricultural, higher education and other commercial based industries. The diverse economic mix creates varied employment opportunities for residents while providing some level of diversification from economic downturns.

The City of Decatur provides a full range of governmental services to citizens. Services include:

- general government,
- public safety police and fire protection,
- public works street construction and maintenance,
- public works infrastructure construction and maintenance,
- water, sewer, and storm water utility services to commercial, industrial and residential properties within the city,
- public transit operations,
- community and economic development services,
- and parking operations within the central city footprint

The City of Decatur was incorporated in 1836, and since 1971 has operated as a Home Rule unit of local government pursuant to the State of Illinois Constitution. The City operates under a managerial form of government, under which the elected Mayor and City Council discharge the legislative function and establish municipal policy, with an appointed City Manager responsible for all city administrative and operational functions.

The City of Decatur governmental structure includes elected officials and appointed officials as follows with defined management and legislative authority in compliance with State of Illinois Statutes.

Mayor	Chief Legislative Officer Chair of City Council Non-partisan elected official	4-year term in office
Council Members	Six (6) member legislative body All members are non-partisan elected officials	4-year term in office
City Manager	Appointed by Mayor & City Council	Contractual term
City Clerk	Recording Secretary of City Council Appointed by Mayor & City Council	4-year term in office
City Treasurer	Appointed by Mayor & City Council	4-year term in office

Source: City of Decatur

The Decatur City Council, the legislative body of the municipal city government, includes seven (7) voting members, including, the Mayor as the Chair of the Council, and six (6) Council Members. All elected officials are non-partisan positions.

The City of Decatur municipal year, as defined by Council Ordinance and City Code, commences on the 1st of May each year and ends the following April 30th; this corresponds with the City's political election calendar and with several appointments and agreements. However, the City of Decatur fiscal year, as defined by Council Ordinance, commences on January 1 of each year and ends on December 31.

All elected officials serve four (4) year terms. The Mayor and three (3) Council seats are elected every four (4) years, with the three (3) remaining Council seats elected two (2) years hence. Mayoral and Council elections are held every other year in odd numbered years, in April, in accordance with Illinois Consolidated Election Laws.

The City operates with Boards and Commissions, some with autonomous functions, and some acting in an advisory capacity on matters of policy or legislative nature. The City Council considers such recommendations of the Boards and Commissions in its determination, acceptance or rejection of those resolutions and ordinances presented to the City Council by the City Manager.

The City Manager is appointed by the Mayor and City Council for a contractual period and is responsible for the administration and operation of city government.

Mr. Scot Wrighton was appointed City Manager effective March 19, 2019. Mr. Wrighton previously served as City Manager for the City of Streator, Illinois, a position he held for more than four years. Wrighton also served as Streator's City Manager from 1987 to 1994. Between his two terms as Streator City Manager, Wrighton served as the City Manager of Kirksville, Missouri for nine years; was on the faculty of the University of Georgia's Carl Vinson Institute of Government for six years; and as City Manager of a private new urbanism development project in India for five years. Early in his career, Mr. Wrighton' s first municipal manager's job was Village Administrator of Mt. Zion, Illinois, a collar village of the City of Decatur.

The City Manager's duties include the enforcement of laws and ordinances as enacted by the City Council, directing the operation and delivery of City provided services to taxpayers and stakeholders, hiring authority for all employees of the City, reporting to the Mayor and City Council on all matters concerning the operation and delivery of services, and making operational and legislative recommendations to the City Council.

City fiscal affairs are the responsibility of the City Treasurer and Director of Finance, reporting to and under the direction of the City Manager. The City Treasurer and Director of Finance is responsible for the annual independent audit, accounting and controlling of all financial activities, treasury activities and management, debt management, investment of funds management, risk management, procurement activities, licensing, and utility customer service including billing and collection. Mr. Zientara has served as City Treasurer and Director of Finance since May of 2012, having previously served as Controller and Chief Financial Officer for the City of South Bend, Indiana. Prior to municipal government service, Mr. Zientara served in senior level financial positions in the private sector with two multi-national organizations including overseas assignments in Europe and the Far East.

Subsequent Event

Subsequent to year end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the City, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, reduction in revenues, costs for emergency preparedness and shortages of personnel. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year and are still developing.

Economic Demographics, Economic Condition, Position & Outlook

The City of Decatur and Macon County, historically and at present, has experienced a strong and vibrant economic profile based on a mix of employment including agriculture, manufacturing and service, higher education, and other commercial based industries.

Population

The population for the City of Decatur is reported at 76,122 inhabitants per the 2010 U.S. Bureau of Census, thus representing a decline in population level in comparison to the year 2000 U.S. Bureau of Census population of 81,860. The City of Decatur population is currently reported at 70,746 inhabitants, according to U.S. Census Bureau 2019 forecast estimation (current available data).

The population demographics of the City of Decatur resembles the state and national profiles, albeit, with certain divergences. Compared with the state and national profiles, current demographics indicate higher female population, an older age disbursement, a lower demographic in the primary wage earner ages of 19-64 years of age, a higher post 65 years of age demographic, a demographic skewed towards unmarried residents, and a less diverse race demographic given the lower level of Asian and Hispanic population, with home ownership percentage below the state demographic and on par with the national demographic levels.

The following provides a current demographic profile of the residents of Decatur as compared to the state and national profiles.

		City of Decatur	State	National
Gender	Male	46.8%	49.1%	49.2%
	Female	53.2%	50.9%	50.8%
Age	0 – 18 years of age	21.8%	22.4%	22.4%
	19 – 64 years of age	59.2%	62.0%	61.6%
	65 +	19.0%	15.6%	16.0%
Race	White alone	71.4%	76.9%	76.5%
	African American alone	20.5%	14.6%	13.4%
	American Indian alone	0.3%	0.6%	1.3%
	Asian alone	0.9%	5.9%	5.9%
	Pacific Islander alone	0.0%	0.1%	0.2%
	Other (same or multiracial)	6.9%	1.9%	2.7%
	Hispanic origin	2.8%	17.4%	18.3%

Data source: U.S. Census Bureau Quick Facts

		City of Decatur	State	National
Never married	Male	34%	38%	36%
	Female	29%	32%	30%
Married	Male	50%	51%	52%
	Female	46%	48%	49%
Widowed	Male	3%	3%	3%
	Female	11%	9%	9%
Divorced	Male	13%	8%	9%
	Female	14%	11%	12%

Data source: U.S. Census Bureau American Community Survey – Decatur Metro Area

The following provides a current demographic profile of the residential housing component of Decatur as compared to the state and national profiles.

		City of Decatur	State	National
Households	Total number	44,113	4,800,000	119,700,000
	Avg. household occupants	2.33	2.59	2.63
Home ownership	Owner occupied	27,791	3,168,000	76,608,000
	Renter occupied	16,322	1,632,000	43,092,000
	Owner occupied	63%	66%	64%
	Renter occupied	37%	34%	36%

Data source: U.S. Census Bureau American Community Survey – Decatur Metro Area

Education

The educational profile of the City of Decatur residents age 25 and older diverges from both the state and national profile, whereby, the percentage of population earning educational degree completion beyond high school graduation lags both the state and national levels. Population with high school graduation and some college experience is higher than both the state and national profiles.

The following provides a current highest educational attainment profile of the residents of Decatur as compared to the state and national profile for population age 25 and older.

	City of Decatur	State	National
Less than High school diploma	9.7%	11.1%	12.4%
High school graduate	34.4%	26.1%	27.1%
Some college, no degree	24.4%	20.7%	20.6%
Associates degree	8.9%	8.0%	8.4%
Bachelor's degree	14.6%	20.8%	19.4%
Graduate degree	7.9%	13.3%	12.1%

Data source: U.S. Census Bureau American Community Survey Decatur Metro Area – numbers may not add due to rounding.

The City of Decatur Community School Corporation, District 61, is the primary responsible authority for the elementary and secondary school structure within the City of Decatur. In addition, school corporation authorities of Argenta/Oreana, CerroGordo, Maroa/Forsyth, Meridian, Mt. Zion, and Warrensburg/Latham have jurisdiction for elementary and secondary school structure within certain township locales within the City of Decatur Corporation limits. In addition, parochial schools at both the elementary and secondary level, remain a vibrant part of the primary and secondary educational structure within the City of Decatur.

The City of Decatur includes two institutions of higher education: Millikin University and Richland Community College.

Millikin University is a private American co-educational, comprehensive four-year university with traditional undergraduate programs in arts and sciences, business, fine arts, and professional studies, as well as non-traditional, adult degree-completion programs (PACE) and graduate programs in business administration and nursing, founded in 1901 with a student enrollment of approximately 2,100 students.

Richland Community College District No. 537 ("Richland Community College") was founded in 1972 and offers course study in baccalaureate, occupational, development and public service programs to an enrollment of approximately 5,400 credit and non-credit students.

Employment

The total resident labor force in the City of Decatur Metro Area per the U.S. Census Bureau analysis was reported as 47,876 resident workers for employed population 16 years and older.

Employment statistics for the City of Decatur's major economic sectors are as follows for employed population 16 years and older:

Economic Sector	Employment	% of Total
Agriculture/mining	862	1.8%
Construction	2,585	5.4%
Manufacturing	8,283	17.3%
Wholesale trade	1,005	2.1%
Retail trade	5,745	12.0%
Transportation/utilities	3,160	6.6%
Information	622	1.3%
Finance/insurance/real estate	2,346	4.9%
Services	21,496	44.9%
Public administration	1,772	3.7%
Total	47,876	100.0%

Data source: U.S. Census Bureau American Community Survey- Decatur Metro Area

The employment profile for the City of Decatur Metro Area is comprised of 66.8% service industries, 10.5% other industries and 22.7% manufacturing and construction industries. Service sector is the largest employment category with 21,496 workers or 44.9% of the workforce population. Other significant employment sectors include manufacturing with 8,283 workers or 17.3% of the workforce, followed by retail trade at 5,745 workers or 12.0%, agricultural and construction at 3,447 workers or 7.2%,transportation / utilities at 3,160 workers or 6.6%, finance / insurance / real estate at 2,346 or 4.9%, and others at 3,399 or 7.1%.

Employment statistics for the City of Decatur by occupation type is as follows for employed population 16 years and older:

Occupation	Employment	% of Total
Management, business, sciences, arts	15,560	32.5%
Service	9,671	20.2%
Sales and office	10,293	21.5%
Construction and maintenance	4,117	8.6%
Production, transportation, material moving	8,235	17.2%
Total	47,876	100.0%

Data source: U.S. Census Bureau American Community Survey- Decatur Metro Area

The largest employers in the City of Decatur are represented in the following chart. Seven (7) employers are classified in the manufacturing, utility and construction sectors, two (2) are classified in the service sector, and one (1) is classified in education sector. The top employers account for 15,200 workers representing approximately 32% of the labor workforce.

Employer	Employees
Archer Daniels Midland	4,000
Caterpillar, Inc.	3,100
Decatur Memorial Hospital	2,300
Decatur Public School District	1,800
HSHS St. Mary's Hospital	1,000
Ameren aka Illinois Power	600
The Kelly Group (Construction)	600
Tate & Lyle, Inc.	600
Mueller Co., Inc.	600
Akorn Incorporated	600
Total	15,200

Data source: Decatur Economic Development Foundation, Illinois Department of Employment Security, Specific Employer data

The City of Decatur continues to place high emphasis on a growing and diversified local economy. The City has been historically active in supporting manufacturing operations, offering a strong residential labor force, with low-cost alternatives to other cities in Illinois and in the Midwest region. In addition, the City offers a strong infrastructure backbone for establishment of manufacturing, transportation, and distribution industry operations in the City footprint.

The City is the North American Headquarters of Archer Daniels Midland Company ("ADM"), a leading multi-national agricultural product processor; the global manufacturing center for the mining heavy-equipment business unit of Caterpillar, Inc. ("CAT"), a world leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines and diesel electric locomotives; a major production location of Tate & Lyle Ingredients Americas, Inc. ("Tate & Lyle") a multi-national leader in the agricultural food additives industry; is a primary manufacturing center for Akorn Pharmaceuticals, a niche product multi-national pharmaceutical enterprise; and the Mueller Company, the largest supplier of innovative potable water distribution products in North America.

Unemployment

Unemployment statistics as reported by the U.S. Bureau of Labor Statistics reflects an unemployment rate of 5.2% in the City of Decatur for the composite 2019 calendar year. The seasonally adjusted unemployment rate for the City of Decatur was reported as 16.2% as of April 2020.

The Decatur unemployment situation has improved substantially from 2017 to the present time.

Locale	Unemployment % 2017	Unemployment % 2018	Unemployment % 2019	Unemployment % April, 2020
City of Decatur	5.5%	5.6%	5.2%	16.2%
Bloomington / Normal	4.1%	4.3%	3.3%	12.8%
Champaign / Urbana	4.2%	4.4%	3.2%	10.9%
Peoria	5.4%	5.1%	4.7%	17.8%
Springfield	4.2%	4.3%	3.8%	14.2%
State of Illinois	5.0%	4.3%	3.7%	17.2%
National	4.4%	3.9%	3.5%	13.3%

Data source: United States Bureau of Labor Statistics annual average rate in percent

Unemployment levels have declined since 2017 in the City of Decatur as well as in comparable cities in Central Illinois, the State of Illinois and at the United States national level, thus, signaling continued improvement in the overall economy and in economic conditions specific to the City of Decatur.

Unemployment levels have increased in 2020 because of the COVID-19 Pandemic.

Personal Income

The City of Decatur presently has an estimated per capita personal income of $25,800 per U.S. Census Bureau analysis, which compares to the State of Illinois average per capita income of $34,463 and the United States per capita income of $32,621. Median household income level for the City of Decatur is significantly below both the state and national levels.

$ whole	Decatur	State	National
Per capita income	25,800	34,463	32,621
Median household income	42,908	63,575	60,293

Data source: U.S. Census Bureau Quick Facts

Economic Condition and Position

Located in the heart of Illinois, in the great Midwest, within 200 miles of the metropolitan areas of Chicago, Indianapolis and St. Louis, with more than 95 million population located within a 500-mile radius, Decatur is well positioned geographically as a manufacturing, distribution and logistics center.

The City has a robust infrastructure of roads, utility service structure, quick and easy access to Interstate highways (I-72, I-55, I-57, and I-74) and the convergence of three (3) Class I railroads (Norfolk Southern, Canadian Northern, CSX) directly connected by a privately-owned intermodal ramp as a part of the Midwest Inland Port.

The Midwest Inland Port is a unique, intermodal facility which provides direct access to ports on both coasts, domestically and through Canada, as well as access to the Gulf of Mexico and Mexico. The Norfolk Southern Decatur rail yard is one of the nation's largest. The Decatur Airport, with runways of 8,500 feet in length and 150 feet wide is capable of handling large freight carrying aircraft.

The Midwest Inland Port is served by a Foreign Trade Zone and provides local Customs Clearing.

Together, this transportation infrastructure, consisting of highway, rail and air, and customs clearing, provides access to suppliers and customers, both domestically and worldwide.

The City of Decatur economy is largely a manufacturing driven economy with service industry economic drivers supporting the main employment thrust in the City, as evidenced by the supporting statistics previously reported in this document.

The educational element of the economy, with the presence of Millikin University and Richland Community College, continues to be an important contributor to the economic profile of the City of Decatur.

In addition, the cultural and recreational offerings of Millikin University and Richland Community College, coupled with the Decatur Parks District, provide an array of events and activities that generate economic activity within the City of Decatur, contributing to the local economy.

The City has long maintained and continues to maintain a healthy city economic philosophy, whereby, it is incumbent upon the City to possess the financial resources to provide essential services to taxpayers and stakeholders, at all times, regardless of the economic climate existing in the community.

The City is financially stable, with short-term adequate reserves that have assisted the City to weather economic challenges. However, the City is not immune to economic shocks, and many of its leading employers are closely tied to trends in state and local economies.

Recent Awards and Recognitions

AreaDevelopment has named the City of Decatur, IL as the #2 leading small metro area in the United States for economic strength resulting from its prominent construction machinery manufacturing players, dated January 9, 2020.

AdvisorSmith ranks the City of Decatur, IL as the fifth-best small city in the U.S. for heavy and tractor-trailer drivers' salaries and jobs, in a report released August 22, 2019.

NerdWallet named the City of Decatur, IL as the metropolitan area with the nation's most affordable housing after analysis of home costs and income in the city, dated July 3, 2018
https://herald-review.com/business/local/decatur-named-most-affordable-housing-market-in-u-s/article_ea27487c-86c3-5151-8742-01e53dbf2d55.html

ValuePenguin, named the City of Decatur as the most affordable city in Illinois for homeowners, dated May 28, 2019.
https://www.valuepenguin.com/2019/05/most-and-least-affordable-cities-illinois-homeowners-renters

Decatur, IL named to ***Global Trade Magazine****'s* 2018 annual pick for top 100 cities for global trade, earning special recognition in the "Cities to Watch" category, dated December 3, 2018.
https://www.decaturedc.com/decatur-named-top-city-to-watch-by-global-trade-magazine/

Forbes Magazine ranked the City of Decatur, IL as **"second in the country"** for having a thriving agricultural economy, whereas, the average agribusiness worker in Decatur earns $85,900 per year, three times the amount compared to top ranked Madera, California.

Business Facilities **Magazine** ranked the Decatur area 3rd for logistics hubs in the nation. Nearly $1 billion of capital investment is currently planned or underway in the region.

City of Decatur ranked 9th on the list of *Best Illinois Cities for Families* based on housing costs, school quality, child friendliness and safety by ***Apartment List Magazine*****,** a leading, award-winning housing search magazine.

Decatur Recently Ranked in Top 25 of American Cities for Global Trade by *Global Trade Magazine* – According to the story, *"Equidistant from Chicago, Indianapolis and St. Louis, Decatur is poised to warehouse and export goods, bypassing its larger Midwest neighbors."*

Economic Development and Infrastructure Development

Executive Management of the City of Decatur continues to pursue economic development and public works opportunities that will have long term favorable impact on the economic prospects for the community.

In 2019, the City issued economic development related building permits in excess of $63 million. Project highlights include:

- Retail development investment of $8 million
- Medical facility investment of $12 million
- Social service agency facility investment of $34 million
- Manufacturing investment of $6 million
- Other investment of $3 million

Ongoing or Recently Completed Initiatives

Aramark Corporation – $8.4 million construction of a new 105,000-square foot facility. Aramark is an American food service, facilities, and uniform services provider to clients in fields including education, healthcare, business, corrections, and leisure.

Ameren Gas Control Facility – $5.3 million expansion of the existing Ameren facility.

City Fire Station Rehabilitation – $2.2 million project to refurbish aged fire station facilities. Project commenced in 2016 and was completed in early 2020.

City Fire Station New Construction – City Council approved action to construct replacements of three older aged fire stations. This $9.0 million project commenced in late fall 2018 with completion expected in 2020 / 2021.

Community Care Campus – $30.0 million drug treatment campus, funded through a contribution from the Howard G. Buffett Foundation. Construction is under way on the 31,000-square-foot detox and residential building and the 17,000-square-foot transitional housing facility, opened in 2019. The 17-acre site will focus on the treatment and rehabilitation of drug addiction and opioid abuse in the community.

Community Care Campus – Additional $25.0 million contribution from the Howard G. Buffett Foundation to construct a combined Early Childhood, Senior, and Community Center on the campus. The 80,000-square foot facility will accommodate Baby Talk and Decatur Macon County Opportunities Corporation expanding the campus to 27-acres. This new center will provide low-income families with access to job training, employment readiness, utility assistance, homeless services, senior services, parent training, alternative education for teen mothers, fatherhood programming, and early childhood education.

Northeast Community Fund – $2.0 million 20,000-square foot new construction in the Community Care Campus. The Northeast Community Fund provides food, clothing, household and other items to people in need.

Local Motor Fuel Tax Road and Street Resurfacing – City Council implemented a local motor fuel tax effective April 1, 2016. Revenue received from the tax will finance local road and street resurfacing and improvements. Project work began in 2016 and was completed in 2019.

Fiber Optic Initiative – Installation of phase III of the City-owned high-speed broadband fiber optic cable network. The project was made possible through a contribution from the Howard G. Buffett Foundation.

Law Enforcement Training Center – $15 million state of art training facility that serves law enforcement agencies across the state. The project was made possible through a contribution from the Howard G. Buffett Foundation.

Decatur Parks District Amphitheater in Nelson Park – Creation of a $4.25 million, 2,200 seat amphitheater venue on the shore of Lake Decatur in Nelson Park for cultural and entertainment events. The project was made

possible through a contribution from the Howard G. Buffett Foundation. The Amphitheater was dedicated over the Memorial Day weekend, 2019.

Decatur Parks District Aquatic Center – Creation of a $3.8 million aquatic center in Nelson Park, including a 7,800-square foot leisure pool and a 25-yard lap pool. Completion is anticipated in 2020.

HSHS Medical Group – $1.5 million construction of a new medical group facility serving the north-central part of the City, and $7.8 million medical building expansion on the St. Mary's Hospital campus.

Walnut Mart, LLC – $1.1 million renovation and conversion of a closed retailer into a convenience store on the City's east side.

Completed Projects of Significance

Old Dominion Freight – $1.8 million expansion of the existing Old Dominion facility.

United Parcel Service – $1.5 million expansion of the existing UPS facility.

Holiday Inn & Suites / Burger Theory – $9 million hotel and restaurant facility that includes 114 guest rooms, conference space and a gourmet restaurant opened to the public in 2017.

Hampton Inn – $8 million hotel including 80 guest rooms opened to the public in 2017.

Busey Bank FirsTech Renovation – Back office payment processing service provider subsidiary of Busey Bank completed a $3.5 million investment initiative in the downtown footprint renovating the current facility. The investment is a collaboration of private / public funding and secures continued operation of an important employer in the City of Decatur.

Westfield Industries / ShurCo expansion – $3.6 million facility investment by manufacturer of farm equipment, subsidiary of AG Growth International.

Akorn Pharmaceutical – A significant Decatur enterprise and employer, $25 million plant expansion facilitated in part through use of City brown-field grant and planning and zoning adjustments. This multi-year capital improvement plan will add local employment. Company will add 60,000 square feet to accommodate its expanding pharmaceutical development, analytical and microbiology testing laboratories and manufacturing operations.

Crossing Healthcare – $6 million state of art medical center in Wabash Crossing redevelopment area opened in 2015 serving the Decatur community, allowing for expansion of medical staff and service to an increased number of patients.

Police Department Law Enforcement Center – Decatur Police moved into a new facility at 707 Southside Drive on June 1, 2014. The City had been searching for more than a decade for adequate space to house the Police Headquarters. The state-of-art, 46,000 square foot renovated facility provides the Police Department and staff the space and tools needed to manage the police protection affairs of the City of Decatur. Working with a local developer, who purchased and renovated the building, this project returned a vacated industrial site to productive community use and has positioned further commercial and economic development opportunities in the adjacent area.

Downtown Revitalization – The City's Downtown Streetscape project, completed in 2015, was a $14 million public development imagined as the next step in efforts to bring a new look, feel and energy to the City's Central Business District. The three-phased plan has brought new sidewalks, landscaping, lighting, recreational opportunities and other amenities to Downtown Decatur. Improvements to Central Park, Merchant Street and Lincoln Square were completed in 2013 with 150 new downtown parking spaces added to facilitate the increase in activity. The project spurred a return to prominence of the City's downtown district in the form of new businesses

and jobs, entertainment options and the creation of a “new” downtown that is now a destination for residents and visitors. The project was funded with $10 million from the 2010 General Obligation Bond Issue, $2 million in motor fuel tax from the State of Illinois, and $2 million in transportation grants from the Illinois Department of Transportation.

Downtown Parking - The City implemented sweeping changes to its downtown parking system designed to make the local shopping experience more convenient for shoppers while providing a range of options for downtown employees. The program included, among other upgrades, a transition from parking meters to free parking for most of the downtown area and the addition of 150 new spaces as part of the overall downtown streetscape project.

Lakeshore Landing Lakefront Development Project – The Decatur Park District and the City continue to work together to bring a new face and amenities to the Nelson Park lakefront. The project will create a destination for both residents and people who come to Decatur to live, work and play. The installation of new boat docks and piers, and lake front promenade improvements were completed in 2013. The project continues with further development initiatives envisioned including a water park, additional boat docks, new restaurant and recreation amenities, and lake view condominium housing.

Ashley Furniture / Mound Center Development – Ashley Furniture opened for business in 2015 with a 35,000-square foot commercial building bringing needed furniture shopping opportunities to residents. Ashley Furniture stores consistently rank among the largest home furnishing retailers in the country.

Jackson Ford Development Agreement – The Decatur City Council approved a redevelopment agreement with Jackson Ford and Jackson Family Limited Partnership to allow for the construction of a new dealership on the site previously occupied by its Ford dealership on East Pershing Road. This $4.1 million project was completed in early 2014.

St. Mary’s / Decatur Memorial Hospital Expansion – St. Mary’s completed a $31 million facility expansion in 2014 including new lobby, emergency care department, laboratory rooms and hospital façade. Decatur Memorial Hospital completed its $39 million facility expansion in 2014 adding hospital rooms, a new tower, cafeteria, and other amenities, and recently opened a new, state-of-art Cancer Care Center.

Parke & Son, Inc., Parke Warehouse Expansion – 140,000 square foot expansion of the existing warehouse and distribution facility on East Mound Road, in the Midwest Inland Port corridor, to meet current and anticipated business growth. The investment included facility expansion and equipment approaching $6 million.

Union Iron consolidation and expansion – $11 million facility on East Mound Road to consolidate operations and accommodate expected business growth. Expectation for additional employees to be added to the labor force as the enterprise expands its production operations. The City expanded the Enterprise Zone and provided rezoning to facilitate the project.

New VA Clinic – $2.4 construction of new clinic replacing an older facility.

Children’s Museum of Illinois – $2.3 million expansion of the museum adding Heroes Hall, a 7,000-square foot law enforcement-themed wing highlighting first responders in Macon County. This project was made possible by a contribution from the Howard G. Buffett Foundation.

Prairie Eye and LASIK Center – $2.0 million new construction of a state-of-art eye clinic.

Regional Emergency Call Center – $4.0 million investment in the creation and construction of a regional dispatch center servicing public safety operations in Macon County. This project was made possible by a contribution from the Howard G. Buffett Foundation.

Aldi – $2.4 million construction of a new Aldi grocery store, replacing an older outdated Aldi property. The 22,000-square foot facility provides shoppers with an upgraded Aldi shopping experience.

Love's Travel Stop – $8.0 million investment in a new 10,000-square foot truck stop with weight scales, truck parking, repair, convenience store, fuel, restaurant and other truck stop amenities, located at the I-72 and IL-121 interchange.

Fresenius Kidney Care – $1.5 million upgrade and expansion of the existing Fresenius dialysis center.

Planet Fitness – $1.0 million remodel of existing Planet Fitness space in the Brettwood Village Center.

Archer Daniels Midland ("ADM") Local Investment and Expansion

ADM Downtown Site Investment – The City of Decatur's multi-national giant, Archer Daniels Midland, acquired office space facility in the central downtown footprint in late 2010, and has since relocated some 700 employees to the central downtown Decatur facility. The City continues to work together with ADM in several matters concerning office space for the ADM workforce as well as co-operation to secure and improve the water supply available to industrial customers.

ADM Carbon Sequestration Project – Landmark project initiative to reduce greenhouse gas by capturing and storing carbon dioxide emissions from the ethanol plant in the underground rock structure below the earth's surface. This $208 million investment is recognized nationally for its innovation and success.

ADM Local Expansion – $6.5 million facility within the ADM Decatur footprint for processing and refining of crude vegetable oil.

Midwest Inland Port / Intermodal Ramp – Opened in 2014 and now fully operational, this Intermodal Transportation hub connects rail and road with the ability to service 95 million customers within a one-day drive from Decatur, Illinois. The shipping and receiving complex offers direct access to 3 Class I railroads and four interstate highways. The Midwest Inland Port is a "game changer" for the City of Decatur and Central Illinois as it positions Decatur as the premier transportation hub in the Midwest.

Infrastructure Improvement Projects

Street Light and Facility LED Lighting Initiative – $2.0 million investment in the installation of LED lighting technology in approximately 1,000 city owned and operated ornamental street lights, and installation of LED lighting technology in city hall (Civic Center facility) and the library facility. This energy initiative was executed under a guaranteed cost savings contract with Johnson Controls, Inc.

Water System Improvement Initiative – In the spring of 2013, the Decatur City Council took legislative action approving a series of rate increases in the municipal water supply effective May 1, 2013. The approved rate increases, 35% effective May 1, 2013, 30% effective May 1, 2014, 25% effective May 1, 2015, and 2.5% increases effective each May 1 into the future, provided the capital resources for the $90 million investment completed in 2019, the largest investment in the City water system since Lake Decatur was created in 1922. The dredging initiative increased the capacity of the lake, thereby increasing the retained water levels of the lake by 30%.

Lake Decatur Dam Repair Phase I – $3.4 million investment completed in 2013 was critical in protecting our ability to control lake levels and protect the Lake Decatur/Sangamon River shoreline. The project rehabilitated mechanical systems, replaced seals and cylinders and repaired the upstream face of the dam. The project was funded by user fees paid by City utility water customers.

Lake Decatur Dam Repairs Phase II – $4.1 million project completed in 2014 included structural repairs to the dam face and scour holes, removal of the old down-stream dam constructed in the late 1800's, and the installation of a protection barrier to breach Asian Carp fish entry into Lake Decatur. The project was funded by user fees paid by City utility water customers.

Lakeshore Drive Sewer Improvement – In late summer 2013, the Decatur City Council approved the project to refurbish and replace certain components of the Lakeshore Drive sewer line. This $8.6 million project was funded by a loan from the State of Illinois EPA ("IEPA"). This project replaced aging sewer infrastructure in an important residential and medical service corridor of the City. The project was completed in 2014.

Union Street Sewer Improvement – In early spring 2014, the Decatur City Council approved the project to refurbish and replace certain components of the Union Street sewer line. This $2.6 million project was funded by a loan from the State of Illinois EPA ("IEPA"). This project replaced aging sewer infrastructure in an important residential and commercial corridor of the City. The project was completed in early 2015.

Storm Water Utility – In 2014, the City Council approved the creation of a new Storm Water Utility in the City of Decatur to operate as the city utility responsible for the maintenance and operation of the storm water sewer system within the City of Decatur. The Storm Water Utility commenced in Q4 2015. This project includes an initial investment of $60 million, to be expended over the succeeding 5 years addressing the most critical storm water system issues facing the City.

Franklin Street Water Tower – The City completed construction of a 1-million-gallon capacity tank at 3635 S. Franklin Street Road in November 2012. Both the tower and South Pressure Zone Booster Pump Station were constructed to ensure consistent and reliable water pressure for Decatur water customers south of Lake Decatur and the Sangamon River. The total project cost was $2.6 million, with 75 percent of the total funded through the Illinois Environmental Protection Agency's Public Water Supply Loan Program at zero interest. The rest of the project was funded with American Recovery and Reinvestment Act (Stimulus) funds the City received at no cost with no obligation to repay.

Downtown Streetscape / Truck Rerouting – The City received $1.9 million in federal funds to assist improvement of the streetscape along the heavily traveled Franklin and Main Street corridors. Additionally, the City negotiated to receive control of the Main St. U.S. Route 51 corridor from the State of Illinois, allowing for the rerouting of truck traffic outside of the core downtown area, benefiting downtown foot traffic for shoppers and businesses alike.

Eldorado Streetscape Improvements – This project, completed in 2012, brought a new roadway, sidewalks, curbs and other aesthetic improvements to the section of Eldorado Street between Church Street and the railroad tracks just east of Martin Luther King Jr. Drive. Additionally, the State of Illinois completed work to resurface the section of Eldorado between the railroad and 19th Street east of the City's work, meaning that Eldorado Street has been completely resurfaced from Church Street to 19th Street. The $2.6 million project was funded by a $1.2 million federal transportation grant, $1.1 million from the Illinois Department of Transportation and $0.3 million in Motor Fuel Tax funding allocated by the City of Decatur.

Brush College Road / East Belt Parkway – The Decatur City Council approved the selection of resources to identify the best methods for eliminating bottlenecks and other traffic problems at the Brush College underpass just south of Faries Parkway. This project is important to address traffic flow in this important industrial city corridor. In early June 2018, the City was awarded $25 million of federal funding to pursue the Brush College Road project.

As well, the City, in co-operation with Macon County is pursuing federal funding support to create the East Belt Parkway connecting roadways in support of anticipated economic development opportunities in this industrial sector of the city footprint.

Johnson Controls Energy Initiative – In 2015, the City completed the $17.2 million project initiative to install automated water meter reading equipment ("AMR") throughout the city residential, commercial and industrial footprint. In addition, this project included energy savings equipment and infrastructure upgrades that will reduce annual energy and operational costs to the city. The AMR initiative was the primary investment with $14.5 million devoted to the installation of state of art electronically read water meters. The remaining investment of $2.7 million was earmarked for facility envelope energy upgrades as well as state of art technology improvements to the City Water Utility SCADA system. The project is debt issue financed with 15-year term with debt payment stream fully

funded by expected annual cost savings and cost avoidance under a 50% guaranteed contract with Johnson Controls, Inc.

7th Ward Sewer Improvement – In early summer 2016, the Decatur City Council approved the project to refurbish and replace certain components of the 7th Ward sewer line. This $8.5 million project was funded by a loan from the State of Illinois EPA ("IEPA"). This project replaced aging sewer infrastructure in an important residential and commercial corridor of the City. The project was completed in 2018.

Nelson Park Storm Sewer Improvement – In early 2017, the Decatur City Council approved the project to refurbish and replace certain components of the Nelson Park storm sewer line. This $4.0 million project was funded by a loan from the State of Illinois EPA ("IEPA"). The project is expected to be completed in 2019.

Education Investments

Decatur Public School Corporation – $76 million, 3-year project, for renovation and expansion of Eisenhower and MacArthur High School buildings, the two public high schools in the City of Decatur. The Eisenhower renovation was completed and commissioned in early 2014, whereas the MacArthur facility renovation was completed and commissioned in early 2015. This project demonstrates the School Corporation and community commitment to a strong educational system in the City.

St. Teresa Catholic High School - $4.8 million project including state-of-art athletic facilities, building upgrades and expansion and improvements to the public facilities, with money raised through a school capital campaign. The successful campaign further demonstrates the community commitment to a strong educational component in the community.

Richland Community College - $16 million investment for the Workforce Development Institute, a new 45,000 square foot facility to be used for specific local employer workforce training to ensure the trained labor candidate pipeline is available to meet the employment demand anticipated in the future. Campus expansion also included a new culinary-arts dining facility and other facility renovations.

Millikin University – $1.4 million renovation to the athletic complex including artificial turf, lighting, running track and a new scoreboard in the stadium complex was completed in 2017. Millikin University continues to place among the top universities for student academic success, return on education investment and student satisfaction, as rated by U.S. News & World Report, Forbes and the Princeton Review, among other notable publications.

Millikin University – $22.0 million construction of the University Commons Building, opened in 2017, is the new front door to the campus. The 87,000-square-foot facility blends the Staley Library and student center functions into one campus central location to service campus and community events.

Millikin University – $20.0 million construction of the Millikin Center for Theatre and Dance. The center will include a convertible theater in addition to well-equipped studios, classrooms, design labs and public spaces.

Millikin University – $2.3 million investment in the construction of a new baseball stadium, to be completed for the 2020 spring Millikin baseball season.

Financial / Single Audit / Budgetary Controls

The City Management Team, under the direction of the City Manager, is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

As a recipient of federal and state financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs.

The internal control structure is subject to periodic evaluation by management of the City. As part of the City's single audit, tests are performed to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations.

Budgetary Controls

In accordance with State of Illinois Statutes and Home Rule Authority adopted by the City of Decatur, the City maintains budgetary controls integrated within the accounting system to ensure compliance with legal provisions embodied in the annual appropriated budget (prepared on a cash basis) which is adopted and approved by the City of Decatur City Council.

Activities of all funds of City operations, including the general fund, special revenue funds, capital project funds, internal service funds, enterprise funds and agency funds have been included in the annual appropriated budget.

By Ordinance of the City Council, the organizational level for which expenditures cannot exceed the appropriated amount is at department level for the General Fund and at fund level for all other funds of City operations.

Expenditures contemplated in excess of appropriated amounts require City of Decatur Council approval prior to expenditure commitment.

The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at fiscal year end and are required to be appropriated in the subsequent year.

On September 3, 2019, the City adopted the budget method as set forth in the Illinois Municipal Code and Chapter 18.1 of the City code and will operate as a budget city, with annual budget presentation and adoption by the City Council before the end of the fiscal year preceding the budget fiscal year. This will take effect commencing with the fiscal year beginning January 1, 2020.

Other Information

Independent Audit

In accordance with State of Illinois Statutes, the City is required to be annually audited by independent certified public accountants.

The audit was performed by CliftonLarsonAllen, LLP.

In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Single Audit Act Amendments of 1996 and Uniform Grant Guidance.

The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section (section II) of this report.

For each of the past twenty-eight (28) years consecutively the City has received an unmodified audit opinion from the independent auditors.

The independent auditors report related specifically to the single audit required by the Single Audit Act Amendments of 1996 are included in this CAFR report.

Awards

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Decatur for its comprehensive annual financial report for the fiscal year ended December 31, 2018.

This represents the forty-seventh (47th) consecutive fiscal year in which the City of Decatur has received this prestigious award.

To be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and legal requirements.

A Certificate of Achievement is valid for a period of one year. The City of Decatur believes that the current comprehensive annual financial report, contained herewith, continues to meet the GFOA Certificate of Achievement Program requirements, and thus, the City of Decatur will submit this CAFR report to the GFOA for consideration.

Acknowledgments

The preparation of this comprehensive annual financial report, for the City of Decatur, was made possible by the dedicated service of the staff of the City Finance Department, including, but not limited to, City Comptroller Ms. Melinda Hawbaker, and City Budget & Revenue Officer Ms. Donna Cobillas.

All contributing members of the City of Decatur receive our sincere appreciation for their contribution in the preparation of this report. In addition, we thank the work performed by the independent audit firm of CliftonLarsonAllen, LLP, for their timely work and dedication in this effort.

Finally, without the leadership and support of Mayor Julie Moore Wolfe, City Manager Scot Wrighton, members of the City Council, and City Department Heads, preparation of this report would not have been possible.

Closing

This letter of transmittal and Comprehensive Annual Financial Report for the City of Decatur is respectively submitted for the fiscal period ended December 31, 2019.

Gregg D. Zientara
City Treasurer & Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Decatur Illinois

For its Comprehensive Annual Financial Report

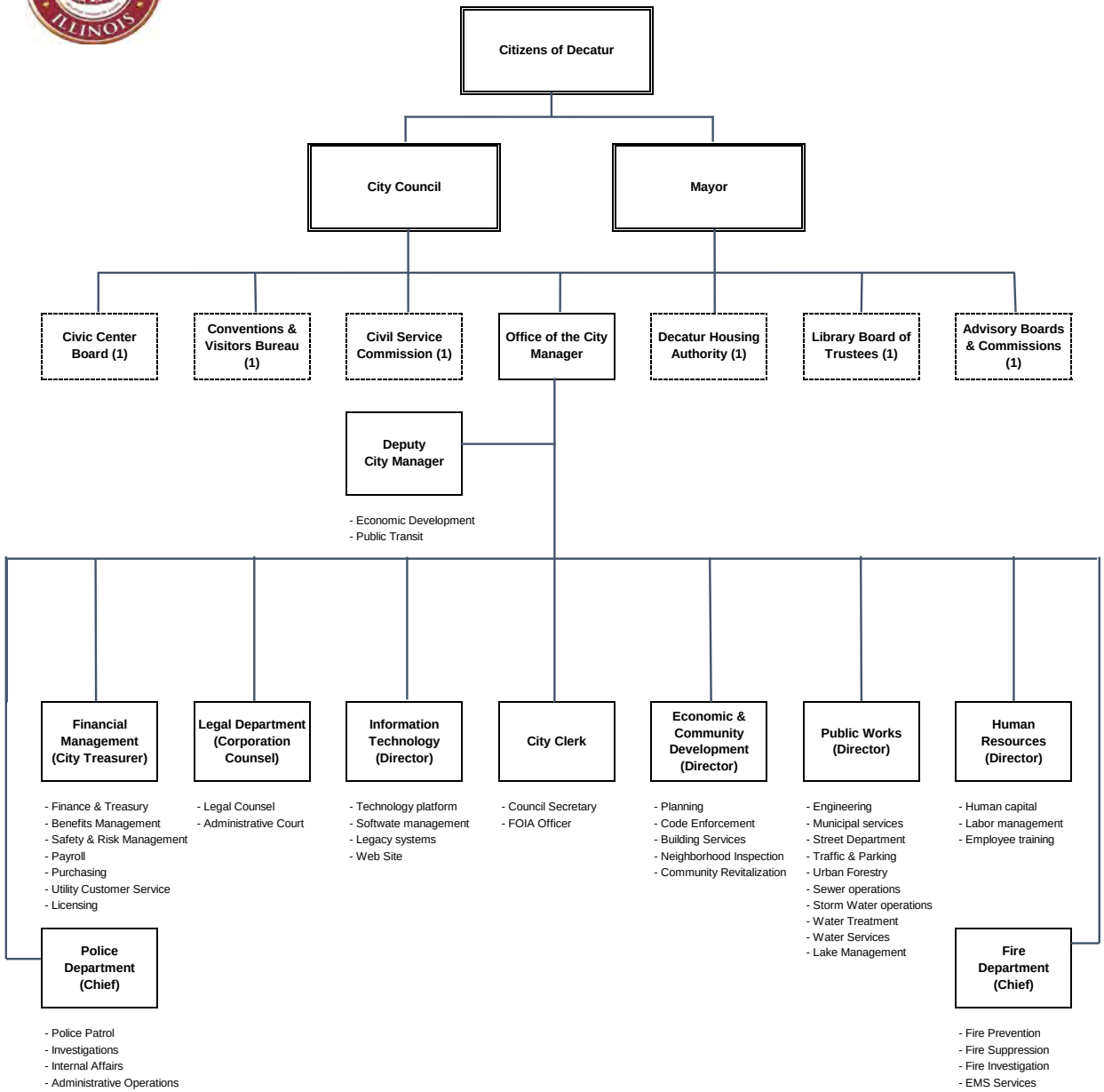
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

City of Decatur, Illinois
Organization Chart



Effective as of October 1, 2019

(1) Board Members include Mayoral Appointments confirmed by City Council

II Financial Section

INDEPENDENT AUDITORS' REPORT

Mayor and City Council
City of Decatur, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Decatur, Illinois (City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Civic Center Authority discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Civic Center Authority discretely presented component unit, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Decatur, Illinois as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, certain budgetary comparison information, schedules of employer contributions, schedule of changes in total OPEB liability and related ratios, schedule of changes in net position liability and related ratios, and schedules of investment return – police and fire pension plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, the statistical information, and the consolidated year-end financial report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, the schedule of expenditures of federal awards, and the consolidated year-end financial report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion the effectiveness of the City of Decatur's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Champaign, Illinois
June 29, 2020

The Management of the City of Decatur, Illinois ("City") provides herewith, this Management Discussion & Analysis ("MD&A") of the financial activities and financial condition of the City of Decatur for the fiscal year ended December 31, 2019.

By Ordinance 2013-26 of the City Council, presented and adopted on April 15, 2013, the City elected to change the fiscal year end from April 30 to December 31 to coincide with a calendar year basis, effective January 1, 2014, whereby the fiscal year of the City shall be January 1 to December 31.

This MD&A presents the financial position of the City for the twelve (12) month fiscal period commencing January 1, 2019 and ending December 31, 2019, with comparative financial data for the twelve (12) month fiscal period ending December 31, 2018.

Readers of the information contained within this Management Discussion & Analysis, and any opinion derived therein, should be considered as a part of the greater whole of the basic financial statements, notes to the financial statements, supplementary information and letter of transmittal, as contained within this Comprehensive Annual Financial Report ("CAFR").

The City is responsible for the accuracy of the information contained herewith, and the completeness and fairness of the presentation, including all disclosures.

To the best knowledge and belief of the City, the information contained in this report is accurate in all material respects, and is reported in a manner designed to fairly present the financial position and results of operations of all funds of the City of Decatur. All notes and disclosures necessary to enable the reader to gain an understanding of the financial activities have been included in this report.

City of Decatur, Illinois

The City of Decatur is the county seat of Macon County, Illinois, and is the thirteenth (13) largest Municipal City within the State of Illinois, according to the 2010 U.S. Government Census. Macon County is the nineteenth (19) largest county within the State of Illinois, according to the 2010 U.S. Government Census. The County has a total land mass area of 581 square miles and contains sixteen (16) townships and twelve (12) municipalities / villages.

The City of Decatur is located within the central heartland of the agricultural region of the State of Illinois and is in the geographic center of the state. The City of Decatur is located one-hundred (100) miles west of the Illinois / Indiana State boundary line, one-hundred and eighty (180) miles southwest of Chicago, one-hundred and fifteen (115) miles northeast of St. Louis, Missouri, and within a region of fifty (50) mile proximity to the communities of Champaign/Urbana, Bloomington/Normal, and Springfield, Illinois.

The year 2010 U.S. Bureau of the Census population for the City of Decatur was reported as 76,122, whereas the year 2010 Census population for Macon County was reported as 110,768.

The 2019 current population for the City of Decatur is estimated to be 70,746, with the current 2019 population for Macon County estimated to be 104,009, according to the U.S. Census Bureau.

Macon County is the epitome of America's agricultural heartland. Vast expanses of corn and soybean cropland cover eighty-four percent (84%) of the County landmass. Macon County continues as a major center for agribusiness with many local and global businesses participating in a thriving manufacturing economy based in large part on the agricultural resources in the County.

Decatur and Macon County is a vibrant and diverse area with a strong local economy based on a mix of manufacturing and service, agricultural, higher education and other commercial based industries. The diverse economic mix creates varied employment opportunities for residents while providing some level of diversification from economic downturns.

The City of Decatur provides a full range of governmental services to citizens. Services include:

- general government,
- public safety police and fire protection,
- public works street construction and maintenance,
- public works infrastructure construction and maintenance,
- water, sewer and storm water utility services to commercial, industrial and residential properties within the city,
- public transit operations,
- community and economic development services,
- and parking operations within the central city footprint

The City of Decatur was incorporated in 1836, and since 1971 has operated as a Home Rule unit of local government pursuant to the State of Illinois Constitution.

Governmental Structure

The City of Decatur operates under a managerial form of government, under which the elected Mayor and City Council discharge the legislative function and establish municipal policy, with an appointed City Manager responsible for all city administrative and operational functions.

The City of Decatur governmental structure includes elected officials and appointed officials as follows with defined management and legislative authority in compliance with State of Illinois Statutes.

Mayor	Chief Legislative Officer Chair of City Council Non-partisan elected official	4-year term in office
Council Members	Six (6) member legislative body All members are non-partisan elected officials	4-year term in office
City Manager	Appointed by Mayor & City Council	Contractual term
City Clerk	Recording Secretary of City Council Appointed by Mayor & City Council	4-year term in office
City Treasurer	Appointed by Mayor & City Council	4-year term in office

Source: City of Decatur

The Decatur City Council, the legislative body of the municipal city government, includes seven (7) voting members, including, the Mayor as the Chair of the Council, and six (6) Council Members. All elected officials are non partisan positions.

The City of Decatur municipal year, as defined by Council Ordinance and City Code, commences on the 1st of May each year and ends the following April 30th; this corresponds with the City's political election

calendar and with several appointments and agreements. However, the City of Decatur fiscal year, as defined by Council Ordinance, commences on January 1 of each year and ends on December 31.

All elected officials serve four (4) year terms. The Mayor and three (3) Council seats are elected every four (4) years, with the three (3) remaining Council seats elected two (2) years hence. Mayoral and Council elections are held every other year in odd numbered years, in April, in accordance with Illinois Consolidated Election Laws.

The City operates with Boards and Commissions, some with autonomous functions, and some acting in an advisory capacity on matters of policy or legislative nature. The City Council considers such recommendations of the Boards and Commissions in its determination, acceptance or rejection of those resolutions and ordinances presented to the City Council by the City Manager.

Financial Highlights

	Governmental Activities		**Business type Activities**		**Government wide Activities**	
$(whole)	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**
Total Assets	159,507,084	152,704,979	212,864,275	213,973,019	372,371,359	366,677,998
Deferred Outflow	10,461,381	19,238,097	2,164,744	601,111	12,626,125	19,839,208
Total Liabilities	192,630,650	198,193,287	164,144,258	172,044,731	356,774,908	370,238,018
Deferred Inflows	25,496,082	24,538,716	488,866	1,455,692	25,984,948	25,994,408
Net Position						
Net investment in capital assets	63,799,440	63,174,639	17,880,969	21,071,574	81,680,409	84,246,213
Restricted	10,215,583	17,608,637	-	-	10,215,583	17,608,637
Unrestricted	(122,173,290)	(131,572,203)	32,514,926	20,002,133	(89,658,364)	(111,570,070)
Total net position	(48,158,267)	(50,788,927)	50,395,895	41,073,707	2,237,628	(9,715,220)
Change vs. pr year	2,630,660	(5,286,882)	9,322,188	8,186,570	11,952,848	2,899,688
Expenses	86,607,737	84,745,197	39,162,257	38,333,133	125,769,994	123,078,330
Revenues	86,792,721	77,618,638	50,930,121	48,359,380	137,722,842	125,978,018

Source: City of Decatur Financial Statement of Net Position and Statement of Activities

- Government wide net position (total assets and deferred outflows, less total liabilities and deferred inflows) as of December 31, 2019 is $2,237,628.

- Government wide net position increased by $11,952,848 or 123% during the fiscal year ending December 31, 2019. Governmental activity net position increased by $2,630,660 or 5%, and business activity net position increased by $9,322,188 or 23% during the fiscal year.

- Total assets as of December 31, 2019 of $372,371,359 increased $5,693,361 or 2% as compared to total assets as of December 31, 2018.

- Deferred outflow of resources as of December 31, 2019 of $12,626,125 decreased $7,213,083 or 36% as compared to deferred outflow of resources as of December 31, 2018.

- Total liabilities as of December 31, 2019 of $356,774,908 decreased $13,463,110 or 4% as compared to total liabilities as of December 31, 2018.

- Deferred inflow of resources as of December 31, 2019 of $25,984,948 decreased $9,460, a minimal change as compared to deferred outflow of resources as of December 31, 2018.

- Government wide net position of $81,680,409 are invested in capital assets, net of related debt, and are therefore, not available for spending. $10,215,583 is classified as restricted primarily for debt service and capital outlay. A negative $89,658,364 is classified as unrestricted net position, of which $142,396,767 is long-term pension and OPEB liability, resulting in an unrestricted net position net of long-term pension and OPEB liability of $52,738,403.

- Government wide revenue achieved in the fiscal year ending December 31, 2019 amounted to $137,722,842, versus government wide revenue of $125,978,018 achieved in the fiscal year ending December 31, 2018. Governmental activity revenue achieved in the fiscal year ending December 31, 2019 amounted to $86,792,721, versus governmental activity revenue of $77,618,638 achieved in the fiscal year ending December 31, 2018. Business activity revenue achieved in the fiscal year ending December 31, 2019 amounted to $50,930,121, versus business activity revenue of $48,359,380 achieved in the fiscal year ending December 31, 2018.

- Government wide program expense in the fiscal year ending December 31, 2019 amounted to $125,769,994, versus government wide program expense of $123,078,330 in the fiscal period ending December 31, 2018. Governmental activity program expense in the fiscal year ending December 31, 2019 amounted to $86,607,737, versus governmental activity program expense of $84,745,197 in the fiscal period ending December 31, 2018. Business activity program expense in the fiscal year ending December 31, 2019 amounted to $39,162,257, versus business activity program expense of $38,333,133 in the fiscal period ending December 31, 2018.

- Explanatory commentary concerning the changes in assets, liabilities, deferred outflows & inflows, revenues, and expenditures can be found in later sections of this MD&A.

Overview of the Financial Statements

The City of Decatur's financial statements are comprised of four (4) components: 1) government wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) required supplementary information. This report also includes other supplementary information in addition to the basic financial statements themselves.

Government wide financial statements

The government wide financial statements are designed to provide readers with a broad overview of the City of Decatur's finances using "accrual-based accounting", a method of accounting used by private-sector business concerns.

Statement of net position

This statement reports all assets, deferred outflows, liabilities, and deferred inflows of the City of Decatur as of December 31, 2019. The difference between total assets, deferred inflows, total liabilities, and deferred inflows is reported as “net position”, and can generally be thought of as the net worth of the City. Increase in net position generally indicates an improvement in financial position, while a decrease in net position may indicate a deterioration of financial position.

Statement of activities

This statement serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City of Decatur for the twelve months ended December 31, 2019. Changes in net position are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The statement of activities displays the expense of the City’s various programs net of related revenues, as well as a separate presentation of revenue available for general purposes including property tax, sales & use tax, other tax, fees for services and other revenue sources.

The government wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) and other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities). The major governmental activities of the City of Decatur include general government, economic development, public safety, street construction and maintenance, infrastructure construction and maintenance, and education & culture through the public library. The major business-type activities of the City include the water utility, sewer utility and public transit operations.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Decatur can be divided into three (3) categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for the same functions reported as governmental activities in the government wide financial statements. However, unlike government wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s short-term financing requirements. Governmental funds use modified accrual accounting method. The City maintains one (1) major governmental fund (General Fund) and thirty-one (31) non-major governmental funds, excluding six (6) non-major governmental funds that were closed during the 2019 fiscal year.

Proprietary Funds

The City of Decatur maintains two (2) types of proprietary funds: 1) enterprise and 2) internal service.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains nine (9) enterprise funds. Information is presented separately in the proprietary statement of revenues, expenses and changes in fund net position for the Water Utility (4 funds), Sewer (1 fund), and Public Transit (1 fund) which are considered major enterprise funds. Data from the other three (3) non-major enterprise funds (Recycling, Storm Water Utility and Fiber Optics) are combined into a single, aggregate presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report.

Internal service funds are used to accumulate and allocate costs internally among the City's various functions and funds. The City maintains three (3) internal service funds. The City of Decatur uses internal service funds to account for its self-insured property, worker's compensation and liability insurance programs; self-funded employee health benefit programs; and fleet maintenance programs.

Because these services predominantly benefit governmental activities rather than business type functions, they have been included within governmental activities in the government wide financial statements, with a portion allocated to business type activities, however, are combined into a single, aggregate presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the government wide financial statement because the resources of those funds are not available to support City programs. The City maintains two (2) fiduciary funds, which consist of the two (2) pension trust funds (Police Pension and Firefighters Pension). These two (2) funds are administered by semi-autonomous pension fund boards in accordance with State law.

Notes to the financial statements

The notes to the financial statements provide additional information that is essential in order to have a full understanding of the data provided in the government wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes and disclosures, this CAFR report presents supplementary information. The combining statements referred to earlier in connection with non-major governmental, enterprise, internal and fiduciary funds are presented after the basic financial statements within the financial statement section of the CAFR report.

Government wide financial statements

The following financial analysis will focus on the statement of net position and statement of changes in net position of the City's governmental and business type activities.

Statement of Net Position

	Governmental Activities		Business type Activities		Government wide Activities	
$(whole)	**Dec 31, 2019**	**Dec 31, 2018**	**Dec 31, 2019**	**Dec 31, 2018**	**Dec 31, 2019**	**Dec 31, 2018**
Assets						
Current & other	61,413,080	57,235,878	43,939,704	50,296,372	105,352,784	107,532,250
Capital assets (net)	98,094,004	95,469,101	168,924,571	163,676,647	267,018,575	259,145,748
Total Assets	159,507,084	152,704,979	212,864,275	213,973,019	372,371,359	366,677,998
Deferred Outflows						
Pension liability	9,693,720	19,238,097	1,966,794	601,111	11,660,514	19,839,208
OPEB liability	767,661	-	197,950	-	965,611	-
Total Deferred Outflow	10,461,381	19,238,097	2,164,744	601,111	12,626,125	19,839,208
Liabilities						
Current	8,793,990	7,960,720	12,631,420	14,963,875	21,425,410	22,924,595
Long term	183,836,660	190,232,567	151,512,838	157,080,856	335,349,498	347,313,423
Total Liabilities	192,630,650	198,193,287	164,144,258	172,044,731	356,774,908	370,238,018
Deferred Inflows						
Future property tax	16,539,039	16,312,602	-	-	16,539,039	16,312,602
Pension liability	8,654,616	7,868,701	410,882	1,363,529	9,065,498	9,232,230
OPEB liability	302,427	357,413	77,984	92,163	380,411	449,576
Total Deferred Inflow	25,496,082	24,538,716	488,866	1,455,692	25,984,948	25,994,408
Net position						
Net investment in capital assets	63,799,440	63,174,639	17,880,969	21,071,574	81,680,409	84,246,213
Restricted	10,215,583	17,608,637	-	-	10,215,583	17,608,637
Unrestricted	(122,173,290)	(131,572,203)	32,514,926	20,002,133	(89,658,364)	(111,570,070)
Total net position	(48,158,267)	(50,788,927)	50,395,895	41,073,707	2,237,628	(9,715,220)

Source: City of Decatur Financial Statement of Net Position and Statement of Activities

As of December 31, 2019, net position of the City is $2,237,628, an improvement of $11,952,848 from the net position as of December 31, 2018.

Governmental activity net position of a negative $48,158,267 increased from the negative net position of $50,788,927 as of December 31, 2018, representing an increase in net position of $2,630,660, or 5%. Business activity net position of $50,395,895 increased by $9,322,188 versus the level at December 31, 2018, an increase of 23%.

The increase in net position of the City results from an increase in asset position of $5,693,361, a decrease in deferred outflow position of $7,213,083, a decrease in liability position of $13,463,110 and a decrease in deferred inflow of resource position of $9,460.

Total assets increased $5,693,361 or 2% as compared to the asset level of December 31, 2018. The increase in assets is attributed to an increase in capital assets net of $7,872,827, decrease in cash and investments of $6,564,504 and increased receivables and other assets of $4,385,038. Capital assets increased from the continuation of the Lake Decatur dredging and other infrastructure projects, with the cash and investment decrease the result of spenddown of bond proceeds and other cash financing the capital investments, with other asset increase the result of increased intergovernmental and grant funding receivables due to the City as of December 31, 2019.

Deferred outflow of resources representing deferred pension expense for the police pension plan, firefighter pension plan, both administered by the City, the municipal workers pension plan administered by the Illinois Municipal Retirement Fund (IMRF), and OPEB expense was $12,626,125 at December 31, 2019 and represents a decrease from the position of $19,839,208 as of the prior year end.

Total liabilities decreased $13,463,110 or 4% as compared to the liability level as of December 31, 2018, with a $5,562,637 decrease in governmental activity liabilities and a $7,900,473 decrease in business activity liabilities.

Governmental activity liability decreased $6,226,435 due to net pension and OPEB liability, $908,933 decrease in debt payable, $833,270 increase in current liabilities and an increase of $739,461 in compensated absence liability. Business activity liability decrease results from a $2,278,236 decrease in current and other liabilities, a $8,373,873 decrease in debt payable offset by an increase in pension and OPEB liability of $2,751,636.

Deferred inflows of resources amounted to $25,984,948, a decrease of $9,460, a minimal change as compared to the position as of the prior year end; and represents the 2019 property tax levy receivable of $16,539,039, billed and collectible in 2020 and deferred pension and OPEB liability of $9,445,909.

Government wide net position of $81,680,409 is invested in capital assets, net of related debt, and is therefore, not available for spending. $10,215,583 is classified as restricted primarily for debt service and capital outlay. The unrestricted net position is a negative $89,658,364, including the net pension and OPEB liability of $142,396,767.

Net investment in capital assets of $81,680,409 represents a decrease of $2,565,804 from the level as of December 31, 2018. Restricted net position decreased $7,393,054 as compared to the level as of December 31, 2018. Unrestricted net position increased $21,911,706 as compared to the level as of December 31, 2018.

Statement of Changes in Net Position

	Governmental Activities		Business type Activities		Government wide Activities	
$(whole)	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**
Revenue						
Program Revenue						
Charge for services	9,435,401	9,106,680	40,251,340	39,949,262	49,686,741	49,055,942
Operating grants	4,306,671	1,863,875	9,679,397	7,695,142	13,986,068	9,959,017
Capital contributions	1,673,656	392,178	-	-	1,673,656	392,178
General Revenue						
Property tax	17,072,216	15,360,391	-	-	17,072,216	15,360,391
Local sales & use	12,800,711	12,340,714	-	-	12,800,711	12,340,714
State sales & income	19,638,017	18,810,796	-	-	19,638,017	18,810,796
Utility tax	7,234,436	7,521,376	-	-	7,234,436	7,521,376
Food & beverage tax	3,361,423	3,293,553	-	-	3,361,423	3,293,553
Local motor fuel tax	1,902,833	1,816,245	-	-	1,902,833	1,816,245
Hotel use tax	1,010,988	945,345	-	-	1,010,988	945,345
Other tax	5,831,765	4,717,264	-	-	5,831,765	4,717,264
Investment earnings	571,662	226,065	979,132	749,915	1,550,794	975,980
Other revenue	1,952,942	1,224,156	20,252	(34,939)	1,973,194	1,189,217
Total Revenue	86,792,771	77,618,638	50,930,121	48,359,380	137,722,842	125,978,018
Expenses						
General government	11,384,019	10,965,571	-	-	11,384,019	10,965,571
Economic development	3,806,876	2,949,475	-	-	3,806,876	2,949,475
Public safety	52,833,707	44,498,772	-	-	52,833,707	44,498,772
Public works	10,701,228	19,805,154	-	-	10,701,228	19,805,154
Culture	93,019	107,556	-	-	93,019	107,556
Education	5,218,190	4,362,304	-	-	5,218,190	4,362,304
Transportation	490,607	-	-	-	490,607	-
Interest on debt	1,931,504	1,910,688	-	-	1,931,504	1,910,688
Water utility	-	-	25,605,355	23,757,319	25,605,355	23,757,319
Public transit	-	-	7,526,662	8,345,210	7,526,662	8,345,210
Waste removal	-	-	682,558	636,716	682,558	636,716
Sewer	-	-	4,017,582	4,629,813	4,017,582	4,629,813
Storm water	-	-	1,225,809	882,248	1,225,809	882,248
Fiber optics	-	-	104,291	81,827	104,291	81,827
Debt issuance costs	148,587	145,677	-	-	148,587	145,677
Total Expenses	86,607,737	84,745,197	39,162,257	38,333,133	125,769,994	123,078,330
Change in net position						
Excess (deficiency)	184,984	(7,126,559)	11,767,864	10,026,247	11,952,848	2,899,688
Transfers	2,445,676	1,839,677	(2,445,676)	(1,839,677)	-	-
Change in net position	2,630,660	(5,286,882)	9,322,188	8,186,570	11,952,848	2,899,688
Beginning net position	(50,788,927)	(45,502,045)	41,073,707	32,887,137	(9,715,220)	(12,614,908)
Ending net position	(48,158,267)	(50,788,927)	50,395,895	41,073,707	2,237,628	(9,715,220)

Source: City of Decatur Financial Statement of Activities

Governmental Activities

Revenue achieved in the fiscal period ending December 31, 2019 amounted to $86,792,771 and represents an increase of $9,174,083 or 12% versus the revenue achieved in the prior fiscal period.

Expenses incurred during the fiscal period ending December 31, 2019 amounted to $86,607,737 and represents an increase of $1,862,540 or 2% when compared to the prior fiscal period.

The revenue increase over the prior fiscal period resulted from increased program revenues of $4,052,995 combined with tax and other revenue increases of $5,121,088.

Program revenues increased by $4,052,995 or 36% versus the prior year. Charge for service revenue increased by $328,721 or 4%; operating and capital grant revenue increased $3,724,274. Tax revenues increased in fiscal 2019 by $4,046,705 or 6% versus the prior year. All tax revenue items experienced an increase versus the prior year, with the exception of utility tax. Other revenue increased by $1,074,383 versus the prior year.

Governmental activity expenses of $86,607,737 increased by $1,862,540 or 2% versus the prior period.

General government expense of $11,384,019 increased $418,448 or 4%. Economic development expense of $3,806,876 increased $857,401 or 29%. Public Safety expense of $52,833,707 increased $8,334,935 or 19%. Public Works and Transportation expense of $11,191,835 decreased $8,613,319 or 43%. Culture and education expense of $5,311,209 increased versus the prior fiscal year by $841,349. Interest and other charges of $1,931,504 increased $20,816 or 1%. Debt issuance costs of $148,587 were incurred in period related to the issuance of Series 2019 and Series 2019B General Obligation Bonds.

Governmental activity experienced an excess of revenues versus expenses in the period of $184,984.

Net transfers in the period, where funds exited business activity to governmental activity amounted to $2,445,676. In period transfers include payment in lieu of tax (PILOT) transfers from business activity funds to governmental activity funds amounting to $2,565,676, and the transfer of $120,000 from governmental activity funds to business activity funds.

The government activity change in net position during the fiscal period ending December 31, 2019 resulted in an increase in net position of $2,630,660.

Business Activities

Revenue achieved in the fiscal period ending December 31, 2019 amounted to $50,930,121 and represents an increase of $2,570,741 or 5% versus the revenue achieved in the prior fiscal period.

Expenses incurred during the fiscal period ending December 31, 2019 amounted to $39,162,257 and represents an increase of $829,124 or 2% when compared to the prior fiscal period.

The revenue gain versus the prior fiscal period resulted from increased program revenue in the amount of $2,286,333 or 5%, with additional miscellaneous revenue increase of $284,408.

Business activity program revenue includes operating revenues from the water utility, public transit operation, sewer utility, storm water, recycling and fiber optic operations of the City enterprise.

Water Utility revenue achieved of $32,083,272 increased slightly versus the prior year, driven by a combination of price increase in all customer sectors and volume gains in the industrial sector.

Public Transit revenue achieved of $9,980,040 increased 26% versus the prior year, driven primarily by the timing of receipt of State of Illinois operating grant funding.

Sewer Utility revenue achieved of $6,630,699 increased 9% versus the prior year driven primarily by the sewer rate increase of 7.3% effective May 1, 2019. The City Council approved a series of sewer rate increases effective on May 1 of each year through 2021 in order to provide funding for certain infrastructure capital projects to remedy United States Environmental Protection Agency concerns over combined sewer overflows.

Business activity expense increase of $829,124 was driven by inflationary and program expense increases in all business activity operations.

The business activity change in net position during the fiscal period ending December 31, 2019 resulted in an increase in net position of $9,322,188 or 23%. The increase in net position resulted primarily from the in period operating surplus of $11,767,864, offset by the transfer of funds from business activity to governmental activity of $2,445,676.

Net transfers in the period amounted to $2,445,676 where funds exited business activity to governmental activity. In period transfers include payment in lieu of tax (PILOT) transfers from business activity funds to governmental activity funds amounting to $2,565,676, and the transfer of $120,000 from governmental activity funds to business activity funds.

Financial Analysis of Government Funds

The City of Decatur uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds of the City are divided into three (3) categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Condensed Balance Sheet
Statement of Revenues, Expenditures, and Changes in Fund Balance

	General Fund		Non-Major Governmental		Total Governmental	
$ (whole)	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**	**Fiscal Year Ending Dec 31, 2019**	**Fiscal Year Ending Dec 31, 2018**
Total assets	27,754,659	24,496,555	29,493,917	29,080,715	57,248,576	53,577,270
Total liabilities	1,859,625	1,632,842	5,490,567	4,708,917	7,350,192	6,341,759
Deferred inflows	12,635,453	12,085,652	7,927,181	7,324,771	20,562,634	19,410,423
Fund balance						
Non-spendable	512,569	820,853	3,280	3,280	515,849	824,133
Restricted	-	-	15,602,336	17,911,773	15,602,336	17,911,773
Committed	-	-	1,618,081	852,906	1,618,081	852,906
Unassigned	12,747,012	9,957,208	(1,147,528)	(1,720,932)	11,599,484	8,236,276
Total Fund Balance	13,259,581	10,778,061	16,076,169	17,047,027	29,335,750	27,825,088
Liability/deferred inflows & fund balance	27,754,659	24,496,555	29,493,917	29,080,715	57,248,576	53,577,270
Revenues	67,210,296	64,764,818	18,408,720	13,825,953	85,619,016	78,590,771
Expenditures	65,284,530	62,780,166	33,211,469	22,737,232	98,495,999	85,517,398
In year surplus (deficit)	1,925,766	1,984,652	(14,802,749)	(8,911,279)	(12,876,983)	(6,926,627)
Other sources (uses)	555,754	33,659	13,831,891	16,147,793	14,387,645	16,181,452
Change in fund balance	2,481,520	2,018,311	(970,858)	7,236,514	1,510,662	9,254,825
Beginning fund balance	10,778,061	8,759,750	17,047,027	9,810,513	27,825,088	18,570,263
Ending fund balance	13,259,581	10,778,061	16,076,169	17,047,027	29,335,750	27,825,088

Source: City of Decatur Financial Statement Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and changes in Fund Balances

As of December 31, 2019, the City governmental funds reported an ending fund balance of $29,335,750.

Non-spendable fund balance of $515,849 is sequestered for prepaid items and inventory and is therefore not available for spending.

Restricted fund balance of $15,602,336 is sequestered for spending on specific projects or specific types of expenditures whereby constraints have been placed on the use of these resources, including debt service fund ($1,385,670), transportation & highway motor fuel tax fund ($1,951,394), public library fund ($1,855,156), local streets & roads fund ($2,093,350), 2018 project fund ($5,966,551), and other non-major governmental funds ($2,350,215).

Committed fund balance of $1,618,081 is sequestered for spending on economic development initiatives, public safety capital and public works capital outlay.

Unassigned fund balance of $11,599,484, representing 40% of the total Governmental fund balance, is available for spending at the City's discretion, with $12,747,012 available in the City General Fund.

The General Fund is the primary operating fund for City operations including general government, public safety police and fire protection, public works operations, certain highways & streets expenses, certain culture & education expenses, certain community and economic development expenses and certain debt service obligations.

As of December 31, 2019, the General Fund balance of $13,259,581 represents an increase of $2,481,520 or 23% from the General Fund balance as of December 31, 2018.

The increase in General Fund balance is attributed to an in-period change in fund balance surplus result of $2,481,520 for the period from January 1, 2019 to December 31, 2019, including other financing sources, of $555,754. The in period general fund surplus resulted primarily from in period revenues of $67,210,296 exceeding in period expense of $65,284,530.

As of December 31, 2019, the General Fund unassigned balance of $12,747,012 is 19% of in-period fiscal year General Fund Revenue of $67,210,296, a position increase versus the prior fiscal year end.

The General Fund unassigned fund balance has been traditionally used by the City to fund certain projects and emergency contingencies. In addition, the City will use the unassigned fund balance in future fiscal periods as a cash flow bridge to the receipt of tax revenues from County or State tax distribution authorities in the event of delayed distributions. The General Fund unassigned balance will provide sufficient cash flow resources to cover City General Fund operating obligations without incurring tax anticipation loans or other potential cash flow borrowings during future fiscal periods.

As discussed in Governmental Accounting, Auditing and Financial Reporting ("GAAFR"), a general fund unassigned balance should be either 1) no less than 5 to 15 percent of regular general fund operating revenues, or 2) no less than 1 to 2 months of regular general fund operating expenditures. An unassigned fund balance may be higher if varying circumstance require such as a delay in collection of a major revenue source.

The City's unassigned general fund balance of $12,747,012 as of December 31, 2019 represents 18% of expected 2020 General Fund Revenue ($70.5 million) and 2.2 month's coverage of expected 2020 General Fund Expense ($70.3 million).

As of December 31, 2019, the Non-Major Governmental Fund balance of $16,076,169 represents a decrease of $970,858 or 6% from the Non-Major Governmental Fund balance as of December 31, 2018. The decrease in fund balance is the primarily the result of capital project spenddown of bond proceeds.

Individual fund data for each of the non-major governmental funds is provided in the form of combining statements in the Supplementary Information section of this CAFR report.

Government Fund Revenue

The following schedule presents a summary of governmental fund revenue for the fiscal year ending December 31, 2019, versus the fiscal year ending December 31, 2018.

Governmental Fund Revenue

$ (whole)	Fiscal Year Ending Dec 31, 2019	% of Total	Fiscal Year Ending Dec 31, 2018	% of Total
Tax Based				
Property tax	17,072,216	19.9%	15,360,391	19.5%
Local sales tax	10,220,137	11.9%	10,136,102	12.9%
Utility tax	7,240,961	8.5%	7,521,376	9.6%
Food & beverage tax	3,361,423	3.9%	3,293,553	4.2%
Hotel use tax	1,010,988	1.2%	945,345	1.2%
Local motor fuel tax	1,902,833	2.2%	1,816,245	2.3%
Other	1,612,465	1.9%	1,275,538	1.6%
Total Tax	42,421,023	49.5%	40,348,550	51.3%
Intergovernmental				
Operating Grants				
General government	2,076,669	2.5%	1,568,546	2.0%
Economic development	125,000	0.1%	-	-
Public safety	124,866	0.1%	77,828	0.1%
Public works	1,015,091	1.2%	217,501	0.3%
Education	112,410	0.1%	-	-
Total Operating Grants	3,454,036	4.0%	1,863,875	2.4%
Tax Based				
Income tax	8,167,400	9.5%	7,343,018	9.3%
State sales tax	11,442,751	13.4%	11,448,432	14.6%
Replacement tax	1,650,068	1.9%	1,445,902	1.8%
Local Use tax	2,529,128	3.0%	2,204,612	2.8%
Motor fuel tax	2,568,880	3.0%	1,941,337	2.5%
Other revenue	655,513	0.8%	188,415	0.2%
Total Tax Based	27,013,740	31.6%	24,571,716	31.2%
Total Intergovernmental	30,467,776	35.6%	26,435,591	33.6%
Non Tax Based				
Charge for services	6,651,900	7.8%	6,271,779	8.0%
Fines & fees	1,476,678	1.7%	1,550,872	2.0%
Investment income	518,873	0.6%	198,073	0.3%
Licenses and permits	1,306,823	1.5%	1,284,029	1.6%
Other revenue	2,775,942	3.3%	2,501,877	3.2%
Total non tax based	12,730,216	14.9%	11,806,630	15.1%
Total Revenue	85,619,015	100.0%	78,590,771	100.0%

Source: City of Decatur Financial Statement of Revenues, Expenditures, and Changes in Fund Balances

Tax revenue continues to represent the most significant source of revenue received to support and to defray the expenses of the governmental services provided by the City.

In the fiscal period ending December 31, 2019, tax revenues accounted for 81.1% of the total revenue stream funding governmental operations, versus 82.5% for the prior fiscal period. Intergovernmental operating grant funding revenue contribution accounted for 4% in the current fiscal period, versus 2.4% in

the prior fiscal period. The non-tax-based revenue stream in the current fiscal period accounted for 14.9% of the total revenue, versus 15.1% in the prior fiscal period.

Sales tax continues to be the primary revenue source funding city operations, followed by property tax, income tax, utility tax, charge for services, operating grants, food & beverage tax, other taxes, fines and fees, licenses and permits, and other revenue sources.

The City recognizes the need to further diversify the revenue stream, and to reduce the dependency on the primary tax sources funding city operations. The City will continue, to the extent possible, to seek opportunities to further diversify the revenue stream reducing the dependency on the primary tax revenue sources funding governmental operations.

Government Fund Expenditures

The City accounts for government fund expenditures in eight categories as follows: 1) general government, 2) economic development, 3) public safety, 4) culture, 5) public works, 6) education, 7) transportation and 8) debt service.

The following schedule presents a summary of governmental fund expenditures for the fiscal year ended December 31, 2019, versus the fiscal period ended December 31, 2018.

Government Fund Expenditures

$ (whole)	**Fiscal Year Ending Dec 31, 2019**	**% of Total**	**Fiscal Year Ending Dec 31, 2018**	**% of Total**
General government	9,681,076	9.8%	9,069,176	10.6%
Economic development	3,806,876	3.9%	2,949,475	3.4%
Public safety	50,967,485	51.7%	46,246,959	54.1%
Culture	92,903	0.1%	94,374	0.1%
Public works	14,205,178	14.4%	15,375,543	18.0%
Education	5,006,311	5.1%	4,265,783	5.0%
Transportation	490,607	0.5%	-	-
Debt service	14,245,563	14.5%	7,516,088	8.8%
Total Expenditures	98,495,999	100.0%	85,517,398	100.0%

Source: City of Decatur Financial Statement of Revenues, Expenditures, and Changes in Fund Balances

Government fund expenditures in the fiscal year ending December 31, 2019, amounted to $98,495,999 versus government fund expenditures of $85,517,398 in the fiscal period ending December 31, 2018, representing an increase in government fund expenditures of $12,978,601 or 15%.

The profile of governmental expenditures changed slightly from the prior year, whereby, public safety expense represents the largest element of expenditure, followed by debt service, public works, general government and the remaining categories.

General government expenditures of $9,681,076 increased $611,900 or 7% versus the prior year, in accordance with spending plans in support of ongoing government operations.

Economic development expenditures of $3,806,876 increased $857,401 or 29% due to higher in year spending in HOME and CDBG federal programs of $121,740, TIF fund redevelopment expense $112,737, Community Revitalization project expense $746,074 and other program expense reduction of $123,150.

Public safety expenditures of $50,967,485 increased $4,720,526 or 10% versus the prior year, due to police and fire operational increase of $1,818,043 or 4%, public safety capital program expense increase of $3,164,847 and other public safety program expense decrease of $262,364.

Public works and transportation expenditures of $14,695,785 decreased $679,758 or 4% versus the prior year, due primarily to decreased year on year capital project spending.

Education expenditure increase of $740,528 is the result of current year spending on capital projects in support of repair and maintenance of the Library facility.

Debt service expense increased $6,729,475 due to the refunding of debt instruments in the period.

Proprietary Funds

Condensed Balance Sheet
Statement of Revenues, Expenditures, and Changes in Net Position
For the year ending December 31, 2019

$ (whole)	Water Utility	Public Transit	Sewer	Non-Major	Total Enterprise	Internal Service
Total assets	159,528,812	13,467,312	32,681,635	7,930,648	213,608,407	5,562,983
Deferred outflow	2,164,744	-	-	-	2,164,744	412,287
Total liabilities	134,544,166	8,703,173	17,379,251	3,517,668	164,144,258	4,367,181
Deferred inflow	488,866	-	-	-	488,866	93,099
Net investment capital assets	7,336,255	1,608,561	7,440,170	1,495,983	17,880,969	(111,724)
Unrestricted	19,324,269	3,155,578	7,862,214	2,916,997	33,259,058	1,626,714
Total net position	26,660,524	4,764,139	15,302,384	4,412,980	51,140,027	1,514,990
Operating revenues	30,970,305	566,681	6,533,129	2,181,225	40,251,340	16,189,536
Operating expenses	20,299,257	7,758,430	3,719,732	1,947,665	33,725,084	14,839,191
Operating income (loss)	10,671,048	(7,191,749)	2,813,397	233,560	6,526,256	1,350,345
Non operating rev (exp)	(4,285,322)	9,407,439	(200,280)	(30,360)	4,891,477	(877,526)
Income (loss) before transfers	6,385,726	2,215,690	2,613,117	203,200	11,417,733	472,819
Transfers in	-	-	-	120,000	120,000	-
Transfers out	(2,020,995)	-	(509,666)	(35,015)	(2,565,676)	(488,275)
Change in net position	4,364,731	2,215,690	2,103,451	288,185	8,972,057	(15,456)
Net position beginning	22,295,793	2,548,449	13,198,933	4,124,795	42,167,970	1,530,446
Net position ending	26,660,524	4,764,139	15,302,384	4,412,980	51,140,027	1,514,990

Source: City of Decatur Financial Statement Proprietary Funds Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position

The City of Decatur maintains two types of proprietary funds, enterprise and internal service funds.

The City maintains nine (9) enterprise funds. Information is presented separately in the proprietary statement of revenues, expenses and changes in fund net position for the Water Utility (4 funds), Sewer (1 fund), and Public Transit (1 fund), which are considered major enterprise funds. Data from the other three (3) non-major enterprise funds (Recycling, Storm Water Utility and Fiber Optics)) are combined into a single, aggregate presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report.

The City maintains three (3) internal service funds. The City of Decatur uses internal service funds to account for its self-insured property, worker's compensation and liability insurance programs; self-funded employee health benefit programs; and fleet maintenance programs.

As of December 31, 2019, City enterprise funds reported a net position of $51,140,027, an increase of $8,972,057 or 21% versus the level as of December 31, 2018.

The net position as of December 31, 2019 includes net investment in capital assets of $17,880,969, with unrestricted net position of $33,259,058.

Water Utility operating revenues achieved during the fiscal year ending December 31, 2019 amounted to $30,970,305, versus water utility operating revenues of $30,882,324 in the fiscal period ending December 31, 2018, a minimal change from the prior year. Water Utility rates were increased 2.5% effective May 1, 2019.

Water Utility operating expense amounted to $20,299,257 in the current fiscal year versus $18,279,678 in the prior fiscal period, an increase of 11%. The operating expense increase of $2,019,579 is due to higher depreciation expense of $1,223,975 from the capitalization and resultant depreciation of the Lake Decatur dredging and other utility capital projects, and increased utility operating costs of $795,604.

Water Utility operating income before debt service interest, non-operating revenue and expense and transfers amounted to $10,671,048, a decrease of $1,931,598 versus the prior year.

Non-operating interest and other income of $1,132,469, offset by debt service interest expense of $5,417,791 and transfers to governmental funds of $2,020,995, reduced Water Utility change in net position to $4,364,731.

Water Utility net position ended the current year at $26,660,524. The utility reported a favorable change in net position of $4,364,731 during the current fiscal year and can be attributed to the continued favorable development of the financial performance of the Water Utility.

With the continued increase in net position of the Water Utility during the fiscal period, the Water Utility is well positioned with the approved rate increases to generate positive cash flow and resultant fund balance increases in the near-term future periods to fund the capital investments and provide adequate fund balance reserves.

Public Transit net position of $4,764,139 increased $2,215,690 versus the net position as of December 31, 2018.

Transit operating revenue representing passenger fares amounted to $566,681 in the current fiscal year versus $572,665 in the prior fiscal period, a decrease in operating revenue of $5,984 or 1%. The decline in revenue is attributed to decreased passenger volume in the period.

Transit current fiscal period operating expense amounted to $7,758,430, versus $7,829,320 in the prior fiscal period, a decrease of $70,890 or 1%.

Public Transit operations are funded primarily by operating and capital grants from federal and state governmental agencies. Intergovernmental revenue of $9,409,349 in the current fiscal year ending December 31, 2019, represented a grant funding level of 121% of in-period operating expense, due to the timing of grant revenue receipt, an increase compared to the 94% grant funding level occurring in the prior fiscal period.

Public Transit operations recorded an increase in net position of $2,215,690 during the current fiscal period.

Sewer Utility, with net position of $15,302,384 experienced an increase in net position of $2,103,451 or 16% versus the net position as of December 31, 2018.

Sewer operating revenues achieved during the current fiscal year amounted to $6,533,129, versus $6,025,732 in the prior fiscal period, an increase of $507,397 or 8%. The revenue increase is driven primarily by sewer user rate increases approved by the City Council in 2016 to provide the increased revenue stream to finance US EPA improvements to the sewer system.

Sewer operating expense amounted to $3,719,732 in the current fiscal year, versus $4,350,225 in the prior year fiscal period, a decrease of $630,493 or 15%. The year on year expense reduction results from the timing of sewer infrastructure improvement projects in accordance with defined plans.

As of December 31, 2019, City internal service funds reported a net position of $1,514,990, a decrease of $15,456 or 1%, versus the level as of December 31, 2018.

The Internal Service current period net position includes net investment in capital assets of a negative $111,724, a decrease of $973,855 as compared to December 31, 2018. Unrestricted net position as of December 31, 2019 is $1,626,714, an increase from the unrestricted net position of $668,315 as of December 31, 2018.

Individual fund data for each of the non-major proprietary funds is provided in the form of combining statements in the Supplementary Information section of this CAFR report.

Fiduciary Funds

Fiduciary funds are used to account for resources received and held for the benefit of parties outside of the government. The City maintains two (2) fiduciary funds, which consist of two (2) private pension trust funds, the Police Pension Fund, and the Firefighter's Pension Fund.

$ (whole)	**Pension Trust Dec 31, 2019**	**Pension Trust Dec 31, 2018**
Total assets	202,986,236	175,539,349
Total liabilities	61,341	94,683
Net position held in trust	202,924,895	175,444,666

Source: City of Decatur Financial Statement of Fiduciary Net Position Pension Trust Funds

As of December 31, 2019, the net position in the pension trust funds increased $27,480,229 or 16% versus the level of net position as of December 31, 2018.

The Pension Trust fund asset increase is attributed to investment returns recognized in the period.

The Pension Trust Funds are managed by separate semi-autonomous pension boards, the Police Pension Board and the Firefighter's Pension Board. The City functions as administrator for the pension trust funds.

General Fund Budgetary Highlights

The City prepares an annual budget for general fund expenditures, which is presented to the City Council for adoption by Council Resolution before December 31st of each year, proceeding the budget period. Prior to the end of the 1st quarter of the fiscal year, the City submits an appropriation ordinance to the City Council, which upon passage and adoption, provides the City with the legal authority to encumber and spend monies defraying the expenses of the city government operation.

The general fund budget applicable for the fiscal year ending December 31, 2019 is reported as follows:

$ (whole)	**Original Budget Fiscal Year Ending Dec 31, 2019**	**Final Budget Fiscal Year Ending Dec 31, 2019**	**Actual Budgetary Basis Fiscal Year Ending Dec 31, 2019**	**Variance Favorable (Unfavorable)**
Revenue	65,928,332	65,928,332	66,966,473	1,038,141
Expenditures	66,759,962	66,413,587	64,765,607	1,647,980
Other financing sources (uses)	828,630	482,255	555,908	73,653
Surplus (deficit)	(3,000)	(3,000)	2,756,774	2,759,774

Source: City of Decatur cash basis (non-GAAP) accounting information for the General Fund RSI budgetary comparison schedule

The 2019 budget for the fiscal year was presented to the Decatur City Council in December 2018. The Decatur City Council approved the budget in resolution form.

The City of Decatur, operating in an appropriation form of statutory spending approval, submitted the fiscal year (ending December 31, 2019) annual appropriation ordinance to the Decatur City Council in March 2019, in accordance with State of Illinois statutes.

The City General Fund revenue was originally approved at $65,928,332 for the fiscal period with Council adoption of the 2019 fiscal period annual appropriation in March 2019.

General Fund expenditures were originally appropriated at $66,759,962 for the fiscal period with Council adoption of the 2019 fiscal period annual appropriation in March 2019. A revision was made to the fiscal period budget, decreasing expenditures to $66,413,587.

The General Fund budget approved included other financing sources (uses) in the amount of $828,630, including payment in lieu of taxes and transfers net from other funds. A revision was made to the fiscal period budget, decreasing other financing sources (uses) to $482,255.

Fiscal period General Fund revenues achieved of $66,966,473 was above the approved budget by $1,038,141, primarily due to increased intergovernmental tax revenues received in the period.

Fiscal period General Fund expenses of $64,765,607 were below the appropriated budget by $1,647,980, primarily the result of controlled spending throughout the organization without disruption of service to stakeholders.

Other financing sources (uses) achieved of $555,908, was favorable to the approved budget by $73,653.

The General Fund ended the fiscal year with a surplus position of $2,756,774 versus the approved final budget deficit of $3,000.

General Fund spending is reviewed on a periodic basis under the direction of the City Treasurer and Director of Finance to ensure spending remains within budgetary constraints. Quarterly reviews are conducted as required, with general fund department management to review spending projections to ensure that annual expenses remain within budgetary levels. New appropriations, as necessary, are submitted to the council for consideration and approval. Budget amendments for cost neutral redistribution between departments and divisions are handled administratively at year-end, as required to adjust the budget as necessary to prevent any budget overruns in any departments and divisions.

Capital Assets and Debt Administration

Capital assets

Statement of Capital Assets

	Governmental Activities		Business type Activities		Government wide Activities	
$(whole)	**Dec 31, 2019**	**Dec 31, 2018**	**Dec 31, 2019**	**Dec 31, 2018**	**Dec 31, 2019**	**Dec 31, 2018**
Assets not depreciated						
Land	9,254,426	7,700,426	4,450,066	4,450,066	13,704,492	12,150,492
Construction in progress	7,225,019	5,016,693	5,724,343	3,833,252	12,949,362	8,849,945
Total	16,479,445	12,717,119	10,174,409	8,283,318	26,653,854	21,000,437
Assets depreciated						
Infrastructure	133,788,494	130,612,623	61,385,331	57,102,637	195,173,825	187,715,260
Building & improvement	45,403,079	47,021,040	186,268,117	183,542,986	231,671,196	230,564,026
Vehicles	14,103,052	14,361,337	13,172,891	8,312,423	27,275,943	22,673,760
Office equipment	4,769,500	4,694,832	119,980	119,980	4,889,480	4,814,812
Other equipment	10,869,105	10,018,272	18,862,740	18,574,258	29,731,845	28,592,530
Total Cost	208,933,230	206,708,104	279,809,059	267,652,284	488,742,289	474,360,388
Accumulated depreciation						
Infrastructure	77,772,581	73,967,565	20,735,382	19,229,098	98,507,963	93,196,663
Building & improvement	26,039,891	27,323,935	86,506,143	81,196,963	112,546,034	108,520,898
Vehicles	11,608,953	11,497,098	7,505,595	6,866,501	19,114,548	18,363,599
Office equipment	3,060,941	2,703,701	114,958	108,871	3,175,899	2,812,572
Other equipment	8,836,305	8,463,823	6,196,819	4,857,522	15,033,124	13,321,345
Total Depreciation	127,318,671	123,956,122	121,058,897	112,258,955	248,377,568	236,215,077
Net Depreciated Assets	81,614,559	82,751,982	158,750,162	155,393,329	240,364,721	238,145,311
Capital Assets, net	98,094,004	95,469,101	168,924,571	163,676,647	267,018,575	259,145,748

Source: City of Decatur Notes to the Financial Statements, Note 6 Capital Assets

City investment in capital assets for governmental and business type activities is $267,018,575, net of depreciation, as of December 31, 2019, and represents an increase in net capital assets of $7,872,827.

The investment in capital assets includes land and land improvements, infrastructure and improvements, buildings and building improvements, vehicles, office equipment, and other equipment including machinery and equipment and information technology hardware and equipment. Asset categories, capitalization thresholds and depreciable life can be found in the Notes to the Financial Statements, Note 6 Capital Assets.

Major Capital Asset Construction in Progress at December 31, 2019

Primary Government		**$**	
	Brush College subway	2,851,686	Continued project
	NE drainage ditch	55,266	Continued project
	Midwest Inland Port	368,199	Continued project
	Taylor/Ward Stevens bridge	176,894	Continued project
	Mound Spring Creek improvements	768,337	Continued project
	Mound over Stevens improvements	20,444	New project
	Grove over Sand Creek improvements	4,918	New project
	Fire facility #3 new construction	38,246	Continued project
	Fire facility #5 new construction	2,931,119	Continued project
	Fire facility #7 new construction	9,910	Continued project
Total		7,225,019	
Business Activities			
	Drainage improvement	19,800	Continued project
	Baltimore Road reconstruction	188,580	Continued project
	Meadowlark drainage improvement	76,685	Continued project
	32nd/Fulton drainage improvement	283,103	Continued project
	Clarifier conversion	546,783	Continued project
	Ellen Division sewer	223,409	Continued project
	McKinley sewer	1,517,218	Continued project
	Lost Bridge Florian basin	515,168	Continued project
	Water main replacement Fairlawn	2,353,597	New project
Total		5,724,343	

Source: City of Decatur capital asset records

Capital Assets Analysis

Government wide capital assets, net of accumulated depreciation as of December 31, 2019 of $267,018,575 increased by $7,872,827 or 3% when compared to the level as of December 31, 2018.

Construction in progress capital assets and land increased $5,653,417, capitalized assets in infrastructure, buildings & improvements, vehicles, office & other equipment, net of depreciation, increased by $2,219,410 when compared to December 31, 2018.

The cost of capital assets not being depreciated increased from $21,000,437 at December 31, 2018 to $26,653,854 at December 31, 2019, an increase of $5,653,417. The value of land increased $1,554,000 on property acquired for future public works transportation projects with construction in progress increasing $4,099,417 for capital projects in process as of the end of the year.

Net depreciated assets of $240,364,721 as of December 31, 2019, increased $2,219,410 when compared to December 31, 2018. Governmental activity depreciated net assets decreased $1,137,423 and business activity depreciated net assets increased $3,356,833.

Several capital projects continued or were commenced in the current fiscal period, as identified in the chart above, and included capital investments in infrastructure, building & building improvements, vehicles, office and other equipment.

Total depreciation expense for the current fiscal period was $15,452,784.

Additional information on capital assets can be found in the notes to the financial statements in statement Note 1 - Summary of significant accounting policies, Capital assets, and statement Note 6. - Capital assets.

Debt Administration

Outstanding long-term debt as of December 31, 2019 is $192,952,731, a decrease of $8,489,126 or 4% as compared to the outstanding debt issue as of December 31, 2018. City outstanding debt includes bond issues, notes & loans payable, and compensated absences.

$ (whole)	**Debt as of Dec 31, 2018**	**Debt Additions**	**Debt Retirements**	**Debt as of Dec 31, 2019**	**Due within One Year**
GO bonds	147,290,501	9,020,000	15,247,388	141,063,113	9,592,388
Notes & loans	46,628,858	2,582,582	5,349,807	43,861,633	4,416,953
Total interest bearing debt	193,919,359	11,602,582	20,597,195	184,924,746	14,009,341
Capital leases	966,419	1,004,370	1,292,563	678,226	185,993
Compensated absences	6,556,079	3,516,105	2,722,425	7,349,759	3,491,136
Total Debt	201,441,857	16,123,057	24,612,183	192,952,731	17,686,470

Source: City of Decatur Notes to Financial Statements, Note 8 Long-Term Debt.

Debt retirements include principal payments on general obligation bonds and principal payments on outstanding notes and loans payable in accordance with debt repayment schedules.

New interest bearing debt instruments issued in the fiscal period include as follows:

General Obligation Series 2019 – The City issued $6,720,000 Series 2019 General Obligation Bonds dated August 7, 2019 due December 15, 2030. The bond proceeds were used to partially refund Series 2010A general obligation bonds which refinanced certain outstanding indebtedness that financed capital improvements in the City. The bonds have an interest rate of 2.30% to 3.05% with principal and interest serviced by the annual tax levy.

General Obligation Series 2019B – The City issued $2,300,000 Series 2019B General Obligation Bonds dated December 10, 2019 due December 15, 2034. The bond proceeds were used to finance capital improvements to the library parking lot, improvements to the library facility air handling system, and to refund the lease of police radios and ancillary equipment. The bonds have an interest rate of 2.31% with principal and interest serviced by the annual tax levy with the library portion and police radio portion planned to be abated each year with debt service payable from other City revenues. As of December 31, 2019, approximately $591,850 of the proceeds remain unexpended.

U.S. Department of Housing and Urban Development Series 2019 Certificates – The City issued $810,000 Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974 (Note B-95-MC-17-0008-A) dated February 1, 2019 due August 1, 2022. The proceeds were used to refund the outstanding indebtedness of the U.S. Department of Housing and Urban Development Series 2002-A Certificates under a refunding program offered by the U.S. Department of Housing and Urban Development. The certificates have an interest rate 1.74% to 2.56% with principal and interest serviced by the Community Development Block Grant (CDBG) fund received from the federal government.

Busey Bank Police Vehicle Loan 2019 – The City authorized the issuance of a loan for $261,460 dated April 17, 2019 to finance the costs related to the acquisition of Police Patrol Vehicles. The term of the loan is 2 years at a fixed interest rate of 1.50% with quarterly principal and interest payments due January 15, April 15, July 15, and October 15 with maturity date of April 15, 2021.

In period activity on existing interest bearing debt instruments as follows:

Busey Bank Local Road & Street Resurfacing Loan 2016 – The City authorized the issuance of a loan for a maximum of $7,500,000 dated August 18, 2016 to finance the costs related to resurfacing of local roads and streets within the City footprint. The term of the loan is 7 years at a fixed interest rate of 2.85% with semi-annual principal and interest payments due February 15 and August 15 in the amount of $535,714, with principal and interest determination dependent upon loan draw down amounts. The City has drawn down $7,500,000 as of December 31, 2019. The outstanding principal balance is $4,285,712, with debt service payable from the City's Local Motor Fuel tax fund.

Illinois Environmental Protection Agency Sewer Loan 2017 – $3,581,182 loan with the Illinois Environmental Protection Agency (IEPA) dated February 13, 2019 to finance the costs related to the rehabilitation of certain storm sewer infrastructure. The City has drawn down $3,581,182 as of December 31, 2019. The term of the loan is 20 years for a fixed interest rate of 1.75%. The semi-annual repayment dates are scheduled to be May 21 and November 21. The outstanding principal balance is $3,453,230 with debt service payable from the City's Storm Water Utility fund.

Compensated Absence Debt

It is the City's policy to permit employees to accumulate a limited amount of earned compensated absences for unused vacation time, sick time and holiday time which will be paid to employees upon separation of employment from the City. A liability representing the City's commitment to fund such costs from future operations has been recorded in the Statement of Net Position in the amount of $7,349,759, as of December 31, 2019.

Outstanding Lease Debt

The City has entered into various lease arrangements as lessee for the financing of certain City fleet vehicles and information technology equipment. All leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their minimum future lease payments as of the date of acquisition.

Outstanding capital lease debt as of December 31, 2019 is $678,226, a decrease of $288,193 or 30% as compared to the outstanding lease debt as of December 31, 2018.

$ (whole)	**Debt as of Dec 31, 2018**	**Debt Additions**	**Debt Retirements**	**Debt as of Dec 31, 2019**	**Due within One Year**
Capital lease debt					
Primary Government	965,100	1,004,370	1,291,244	678,226	185,993
Business Activities	1,319	-	1,319	-	-
Total Lease Debt	966,419	1,004,370	1,292,563	678,226	185,993

Source: Notes to Financial Statements, Note 17 Capital Leases

New capital leases issued in the fiscal period include as follows:

Motorola Solutions Credit – $1,004,370 lease instrument for acquisition of Police Radio Equipment liquidated December 10, 2019 with refunding issuance of the GO Series 2019B.

Pension and Post Employment Benefit Debt

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund ("IMRF"), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Fund, which is a single-employer pension plan; and the Firefighter's Pension Plan, which is a single-employer pension plan. None of the pension plans issue a separate annual report except for IMRF.

As of December 31, 2019, the net pension obligation of the City to the three pension plans is $132,421,368.

In addition to providing the pension benefits described in Note 9, the City provides postemployment health care benefits (OPEB) for retired employees through a single employer defined benefit plan (Retiree Healthcare Program) and follows GASB No 75. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel policy and labor union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate annual report. As of December 31, 2019, the net OPEB obligation of the City to the Retiree Healthcare program is $9,975,399.

Additional information on debt can be found in the notes to the financial statements in statement Note 8 Long-Term Debt; statement Note 9 Pension Plans; and statement Note 16 Other Post-Employment Benefits.

The City has no statutory legal debt limitation, according to current State of Illinois Statutes and City Code of the City of Decatur.

The City bond rating is A2, upper medium grade rating, as rated by Moody's Investor Services (rating date July 10, 2019) for all general obligation debt currently outstanding.

Economic Factors

Tax revenue, historically and at present, is the principal source of revenue for funding of the governmental activities within the City of Decatur.

Tax revenue is generated from a variety of sources, including property tax, sales & use tax, state income tax, personal property replacement tax, local utility tax, state and local motor fuel tax, local food & beverage tax, local hotel use tax and other minor taxes.

Property tax revenues received by the City according to the 2019 Tax Levy in effect, provide the cash resources to fund City contributions to the Police and Firefighters Pension Funds, fund City contributions to the operation of the Decatur Public Library, provide City funding for a portion of General Obligation Bond debt payments, and provides funding for the City contribution to the City of Decatur Municipal Band.

Under current legislation, all Illinois localities assess properties based on market values. Each year properties are trended, whereby this process involves comparing property values to sales activity in the neighborhoods and adjusting the current assessed values up or down according to trended market data. Assessed values, according to state legislation, are capped at 33% of market value.

The cost of day to day City government as well as the capital spending requirements of City operations, including general government, public safety police and fire protection, public works engineering, streets, municipal services and infrastructure operations, are not funded by property tax revenues, but rather are funded by other taxes including locally imposed or state distributed sales & use tax, state income tax,

local food & beverage tax, local hotel use tax, local utility tax, state and local motor fuel tax and other minor taxes.

The ability of the City to fund basic required services, such as general government, public safety, and public works operations is dependent upon community economic drivers that contribute to tax revenues generated by those tax elements that fund these basic services, namely sales & use tax, income tax, food & beverage tax, hotel use tax, utility tax, state and local motor fuel tax and other minor taxes.

Financial stability in the City of Decatur is also dependent upon the ability of the State of Illinois to affect timely tax distributions for sales & use tax, income tax, and other tax distributions due to the City in order to secure cash flow and expense coverage normality without additional burden to the City.

Management of the City of Decatur will continue to manage the financial affairs of the City from a posture of fiscal conservatism and restraint similar to the management practices that have been engaged in recent and past fiscal periods.

City Management believes that the national and local economy will continue to strengthen, albeit, at a slow and deliberate pace in accordance to the predictions of national and state governmental economists, with low inflation over the near-term future fiscal periods. In addition, job creation in the local economic sector is the primary engine that will drive local economic development and stability.

Future Fiscal Year Budget

The City will engage to ensure effective delivery of required services to taxpayers and citizens within the constraints of available financial resources. The City will continue to provide required services within the constraints of a balanced general fund budget.

The City is committed to creating a budget for future fiscal periods that will remain fiscally responsible to the effective delivery of required services to citizens and stakeholders within the revenue constraints available.

Requests for Information

This Management Discussion & Analysis as contained within the City of Decatur Comprehensive Annual Financial Report is intended to provide readers with a general overview of the financial affairs of the City as of December 31, 2019 and for the twelve-month period then ended. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to:

Gregg D. Zientara
City Treasurer & Director of Finance
City of Decatur

Mailing address and Contact Information:
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City of Decatur, Illinois
June 29, 2020

CITY OF DECATUR, ILLINOIS
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Cash and Cash Equivalents	$ 26,849,867	$ 33,515,811	$ 60,365,678	$ 510,099
Investments	5,977,761	-	5,977,761	-
Receivables:				
Property Taxes, Net	16,539,039	-	16,539,039	-
Illinois Municipal Sales Tax	6,683,573	-	6,683,573	-
Other Taxes	2,534,143	-	2,534,143	-
Due from Other Governments	1,852,975	-	1,852,975	-
Accounts Receivable	523,896	8,675,672	9,199,568	89,624
Notes Receivable	368,831	-	368,831	-
Other	42,868	-	42,868	-
Internal Balances	(937,684)	937,684	-	-
Prepaid Items	659,189	134,598	793,787	-
Inventories	318,622	675,939	994,561	5,560
Capital Assets Not Being Depreciated	16,479,445	10,174,409	26,653,854	3,130,762
Capital Assets Being Depreciated, Net	81,614,559	158,750,162	240,364,721	3,085,139
Total Assets	159,507,084	212,864,275	372,371,359	6,821,184
DEFERRED OUTFLOW OF RESOURCES				
Deferred Amount Related to Pension Liability	9,693,720	1,966,794	11,660,514	-
Deferred Amount Related to OPEB Liability	767,661	197,950	965,611	-
Total Deferred Outflows of Resources	10,461,381	2,164,744	12,626,125	-
LIABILITIES				
Accounts Payable	3,909,481	7,021,776	10,931,257	31,826
Contracts Payable	437,331	379,799	817,130	-
Interest Payable	307,054	1,490,685	1,797,739	-
Claims Payable	2,652,340	-	2,652,340	-
Due to Other Governments	-	192,478	192,478	-
Other Accrued Liabilities	1,487,784	236,901	1,724,685	20,387
Unearned Revenue	-	3,309,781	3,309,781	21,247
Long-Term Obligations, Due Within One Year:				
Bonds Payable	2,613,469	6,978,919	9,592,388	-
Capital Leases	185,993	-	185,993	-
Notes Payable	1,675,698	2,741,255	4,416,953	-
Compensated Absences	3,215,950	275,186	3,491,136	18,198
Long-Term Obligations, Due in More Than One Year:				
Bonds Payable	29,865,649	101,605,076	131,470,725	-
Capital Leases	492,233	-	492,233	-
Notes Payable	4,823,192	34,621,488	39,444,680	-
Net Pension Liability	129,479,563	2,941,805	132,421,368	-
Other Post-Employment Benefits	7,930,442	2,044,957	9,975,399	-
Compensated Absences	3,554,471	304,152	3,858,623	-
Total Liabilities	192,630,650	164,144,258	356,774,908	91,658
DEFERRED INFLOWS OF RESOURCES				
Subsequent Year's Property Taxes	16,539,039	-	16,539,039	-
Deferred Amount Related to Pension Liability	8,654,616	410,882	9,065,498	-
Deferred Amount Related to OPEB Liability	302,427	77,984	380,411	-
Deferred Operating Contribution Receipts and Grants	-	-	-	435,357
Total Deferred Inflows of Resources	25,496,082	488,866	25,984,948	435,357
NET POSITION				
Net Investment in Capital Assets	63,799,440	17,880,969	81,680,409	6,215,901
Restricted for Economic Development	1,532,184	-	1,532,184	-
Restricted for Transportation and Highway	5,442,644	-	5,442,644	-
Restricted for Education	1,350,291	-	1,350,291	-
Restricted for Culture	35,464	-	35,464	-
Restricted for Public Safety	773,912	-	773,912	-
Restricted for Debt Service	1,081,088	-	1,081,088	-
Unrestricted Net Position	(122,173,290)	32,514,926	(89,658,364)	78,268
Total Net Position	$ (48,158,267)	$ 50,395,895	$ 2,237,628	$ 6,294,169

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
Functions/Programs	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Unit
Primary Government:								
Governmental Activities:								
General Government	$ 11,384,019	$ 9,167,449	$ 1,999,345	$ -	$ (217,225)	$ -	$ (217,225)	$ -
Economic Development	3,806,876	-	125,000	-	(3,681,876)	-	(3,681,876)	-
Public Safety	52,833,707	241,072	487,993	-	(52,104,642)	-	(52,104,642)	-
Public Works	10,701,228	-	1,569,680	1,673,656	(7,457,892)	-	(7,457,892)	-
Culture	93,019	-	-	-	(93,019)	-	(93,019)	-
Education	5,218,190	26,880	124,653	-	(5,066,657)	-	(5,066,657)	-
Transportation	490,607	-	-	-	(490,607)	-	(490,607)	-
Interest and Other Charges	1,931,504	-	-	-	(1,931,504)	-	(1,931,504)	-
Debt Issuance Costs	148,587	-	-	-	(148,587)	-	(148,587)	-
Total Governmental Activities	86,607,737	9,435,401	4,306,671	1,673,656	(71,192,009)	-	(71,192,009)	-
Business-Type Activities:								
Water	25,605,355	30,970,305	270,048	-	-	5,634,998	5,634,998	-
Mass Transit	7,526,662	566,681	9,409,349	-	-	2,449,368	2,449,368	-
Fiber Optics	104,291	29,117	-	-	-	(75,174)	(75,174)	-
Waste Removal	682,558	683,438	-	-	-	880	880	-
Storm Water	1,225,809	1,468,670	-	-	-	242,861	242,861	-
Sewer	4,017,582	6,533,129	-	-	-	2,515,547	2,515,547	-
Total Business-Type Activities	39,162,257	40,251,340	9,679,397	-	-	10,768,480	10,768,480	-
Total Primary Government	$ 125,769,994	$ 49,686,741	$ 13,986,068	$ 1,673,656	(71,192,009)	10,768,480	(60,423,529)	-
Component Unit								
Civic Center Authority	$ 1,885,224	$ 1,028,207	$ -	$ 1,041,182				184,165
		General Revenues:						
		Taxes:						
		Property Taxes			17,072,216	-	17,072,216	-
		Utility Taxes			7,234,436	-	7,234,436	-
		Food and Beverage Taxes			3,361,423	-	3,361,423	-
		Hotel and Motel Taxes			1,010,988	-	1,010,988	-
		Local Sales Tax			10,232,229	-	10,232,229	-
		Local Use Tax			2,568,482	-	2,568,482	-
		Motor Fuel Tax			1,902,833	-	1,902,833	-
		Other Taxes			5,831,765	-	5,831,765	-
		Intergovernmental (State Sales and Income Tax)			19,638,017	-	19,638,017	-
		Investment Earnings			571,662	979,132	1,550,794	1,837
		Gain on Sale of Capital Assets			-	20,252	20,252	-
		Other General Revenues			1,952,942	-	1,952,942	53,079
		Transfers			2,445,676	(2,445,676)	-	-
		Total General Revenues and Transfers			73,822,669	(1,446,292)	72,376,377	54,916
		CHANGE IN NET POSITION			2,630,660	9,322,188	11,952,848	239,081
		Net Position - Beginning of Year			(50,788,927)	41,073,707	(9,715,220)	6,055,088
		NET POSITION - END OF YEAR			$ (48,158,267)	$ 50,395,895	$ 2,237,628	$ 6,294,169

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2019

	General Fund	Nonmajor Governmental Funds	Total
ASSETS			
Cash and Investments	$ 8,575,982	$ 19,610,105	$ 28,186,087
Receivables:			
Property Taxes, Net	9,382,057	7,156,982	16,539,039
Illinois Municipal Sales Tax	6,582,623	100,950	6,683,573
Other Taxes	2,298,547	235,596	2,534,143
Due from Other Governments	8,474	1,844,501	1,852,975
Due from Other Funds	-	2,600	2,600
Accounts Receivable	370,548	152,063	522,611
Notes Receivable	-	368,831	368,831
Other	23,859	19,009	42,868
Prepaid Items	490,426	3,280	493,706
Inventories	22,143	-	22,143
Total Assets	$ 27,754,659	$ 29,493,917	$ 57,248,576
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 704,684	$ 3,055,925	$ 3,760,609
Contracts Payable	33,141	404,190	437,331
Other Accrued Liabilities	1,121,800	346,036	1,467,836
Due to Other Funds	-	1,684,416	1,684,416
Total Liabilities	1,859,625	5,490,567	7,350,192
DEFERRED INFLOWS OF RESOURCES			
Subsequent Year's Property Taxes	9,382,057	7,156,982	16,539,039
Unavailable Taxes and Grants	3,253,396	770,199	4,023,595
Total Deferred Inflows of Resources	12,635,453	7,927,181	20,562,634
FUND BALANCES			
Nonspendable:			
Prepaid Items	490,426	3,280	493,706
Inventories	22,143	-	22,143
Restricted:			
Transportation and Highway	-	4,044,744	4,044,744
Culture	-	35,464	35,464
Economic Development	-	1,532,184	1,532,184
Public Safety	-	6,662,133	6,662,133
Education	-	1,942,141	1,942,141
Debt Service	-	1,385,670	1,385,670
Committed:			
Education	-	604,746	604,746
Public Safety	-	665,583	665,583
Public Works	-	347,752	347,752
Unassigned	12,747,012	(1,147,528)	11,599,484
Total Fund Balances	13,259,581	16,076,169	29,335,750
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 27,754,659	$ 29,493,917	$ 57,248,576

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS – BALANCE SHEET TO STATEMENT OF NET POSITION
DECEMBER 31, 2019

Total Fund Balances - Governmental Funds		$ 29,335,750
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Capital Assets	$ 225,412,675	
Accumulated Depreciation	(127,318,671)	
Net Capital Assets		98,094,004
Deferred inflows of resources related to taxes and grants receivable are not available until future periods; therefore, they are not reported in the funds.		4,023,595
Net deferred inflows and outflows of resources related to pensions are applicable to future periods; therefore, they are not reported in the funds.		1,039,104
Net deferred inflows and outflows of resources related to OPEB are applicable to future periods; therefore, they are not reported in the funds.		465,234
Internal service funds are used by the City to charge the costs of certain activities to individual funds. Certain assets and liabilities of the internal service funds are included in governmental activities in the statement of net position (capital asset are included above and in long term liabilities below).		3,025,288
Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		(304,582)
Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of:		
Compensated Absences Payable	(6,770,421)	
Net Pension Liability	(129,479,563)	
Other Post-Employment Benefits	(7,930,442)	
Capital Leases	(678,226)	
Bonds Payable	(32,479,118)	
Notes Payable	(6,498,890)	
Total Long-Term Liabilities		(183,836,660)
Net Position of Governmental Activities		$ (48,158,267)

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019

	General Fund	Nonmajor Governmental Funds	Total
REVENUES			
Taxes	$ 33,027,114	$ 9,393,909	$ 42,421,023
Charges for Service	6,651,900	-	6,651,900
Investment Income and Net Increase in Fair Value of Investments	211,119	307,754	518,873
Intergovernmental	23,669,463	6,798,313	30,467,776
Licenses and Permits	1,306,823	-	1,306,823
Fines and Fees	1,213,026	263,652	1,476,678
Other Revenue	1,130,851	1,645,092	2,775,943
Total Revenues	67,210,296	18,408,720	85,619,016
EXPENDITURES			
Current:			
General Government	9,681,076	-	9,681,076
Economic Development	-	3,806,876	3,806,876
Public Safety	46,345,634	4,621,851	50,967,485
Culture	-	92,903	92,903
Public Works	8,772,352	5,432,826	14,205,178
Education	-	5,006,311	5,006,311
Transportation	-	490,607	490,607
Debt Service:			
Principal Retirement	453,463	11,694,112	12,147,575
Interest and Other Charges	32,005	1,917,396	1,949,401
Bond Issuance Costs	-	148,587	148,587
Total Expenditures	65,284,530	33,211,469	98,495,999
Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources (Uses)	1,925,766	(14,802,749)	(12,876,983)
OTHER FINANCING SOURCES (USES)			
Sale of Capital Assets	44,398	46,158	90,556
Loan Proceeds/Issuance of Debt	-	11,363,138	11,363,138
Transfers In	1,764,132	3,141,296	4,905,428
Transfers Out	(1,252,776)	(718,701)	(1,971,477)
Total Other Financing Sources (Uses)	555,754	13,831,891	14,387,645
Net Change in Fund Balances	2,481,520	(970,858)	1,510,662
FUND BALANCES			
Beginning of Year	10,778,061	17,047,027	27,825,088
End of Year	$ 13,259,581	$ 16,076,169	$ 29,335,750

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

Net Change in Total Fund Balance		$ 1,510,662
Amounts reported for governmental activities in the Statement of Activities are different because:		
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.		
Taxes and Grants Received		925,774
Some expenditures reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.		
Increase in Long-Term Compensated Absences	$ (739,461)	
Decrease in Accrued Interest on Debt	32,240	
		(707,221)
Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital Expenditures	8,813,379	
Depreciation	(7,202,929)	
		1,610,450
The effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) which do not affect change in fund balance.		
Capital Contribution	1,673,656	
Proceeds from Sale of Capital Assets	(90,556)	
Loss on Disposal of Capital Assets	(568,647)	
		1,014,453
Internal service funds are used by the City to charge the costs of certain activities to individual funds. A portion of the net income of the internal service funds is reported with governmental activities on the Statement of Activities.		603,847

(Continued)

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2019

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Capital Leases Payable	$ 1,291,244	
Notes and Bonds Payable	10,894,728	
		$ 12,185,972
Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position.		
Capital Leases Payable	(1,004,370)	
Notes and Bonds Payable	(10,358,768)	
		(11,363,138)
Governmental funds report pension contributions as expenditures when made. However, in the Statement of Activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred inflows and outflows of resources related to pensions, and the investment experience.		(3,294,609)
Governmental funds do not report OPEB. However, in the Statement of Activities, OPEB expense includes the cost of benefits earned and the recognition of changes in deferred outflows of resources and deferred inflows of resources related to OPEB.		58,371
Bonds premiums/discounts on issuance were reported in the governmental funds. However, these amounts have been deferred and amortized in the Statement of Net Position:		
Amortization on Bond Premium		86,099
Change in Net Position of Governmental Activities		$ 2,630,660

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Business-Type Activities					
	Major Enterprise Funds					Governmental Activities -
ASSETS	Water Fund	Sewer Fund	Mass Transit Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CURRENT ASSETS						
Cash and Cash Equivalents	$ 20,492,500	$ 8,684,892	$ 1,488,710	$ 2,849,709	$ 33,515,811	$ 4,641,541
Receivables:						
Accounts Receivable	2,900,892	313,893	5,329,161	131,726	8,675,672	1,285
Due from Other Funds	1,681,816	-	-	-	1,681,816	-
Inventories	403,322	-	272,617	-	675,939	296,479
Prepaid Expenses	-	-	134,598	-	134,598	165,483
Total Current Assets	25,478,530	8,998,785	7,225,086	2,981,435	44,683,836	5,104,788
NONCURRENT ASSETS						
Capital Assets:						
Land	3,550,667	-	899,399	-	4,450,066	-
Construction in Progress	2,900,380	2,255,795	-	568,168	5,724,343	-
Buildings	46,768,047	526,925	4,340,990	-	51,635,962	-
Improvements Other Than Buildings	160,872,056	30,374,464	232,640	4,538,326	196,017,486	-
Machinery and Equipment	19,606,912	1,204,972	11,302,097	41,630	32,155,611	1,181,737
Subtotal	233,698,062	34,362,156	16,775,126	5,148,124	289,983,468	1,181,737
Less: Accumulated Depreciation	99,647,780	10,679,306	10,532,900	198,911	121,058,897	723,542
Total Capital Assets	134,050,282	23,682,850	6,242,226	4,949,213	168,924,571	458,195
Total Noncurrent Assets	134,050,282	23,682,850	6,242,226	4,949,213	168,924,571	458,195
Total Assets	159,528,812	32,681,635	13,467,312	7,930,648	213,608,407	5,562,983
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amount Related to OPEB Liability	197,950	-	-	-	197,950	37,659
Deferred Amount Related to Pension	1,966,794	-	-	-	1,966,794	374,628
Total Deferred Outflows of Resources	2,164,744	-	-	-	2,164,744	412,287
LIABILITIES						
CURRENT LIABILITIES						
Accounts Payable	1,058,724	1,377,449	4,527,806	57,797	7,021,776	148,872
Contracts Payable	232,537	147,262	-	-	379,799	-
Claims Payable	-	-	-	-	-	2,652,340
Interest Payable	1,399,577	81,479	2,988	6,641	1,490,685	2,472
Due to Other Governments	-	-	192,478	-	192,478	-
Other Accrued Liabilities	132,398	-	104,503	-	236,901	19,948
Compensated Absences	103,657	-	171,529	-	275,186	24,245
Unearned Revenue	-	-	3,309,781	-	3,309,781	-
Notes Payable	1,730,349	813,078	38,252	159,576	2,741,255	41,403
Bonds Payable	6,978,919	-	-	-	6,978,919	-
Total Current Liabilities	11,636,161	2,419,268	8,347,337	224,014	22,626,780	2,889,280
NONCURRENT LIABILITIES						
Compensated Absences	114,568	-	189,584	-	304,152	-
Net Pension Liability	2,941,805	-	-	-	2,941,805	560,344
Other Post-Employment Benefits	2,044,957	-	-	-	2,044,957	389,041
Notes Payable	16,201,599	14,959,983	166,252	3,293,654	34,621,488	528,516
Bonds Payable	101,605,076	-	-	-	101,605,076	-
Total Noncurrent Liabilities	122,908,005	14,959,983	355,836	3,293,654	141,517,478	1,477,901
Total Liabilities	134,544,166	17,379,251	8,703,173	3,517,668	164,144,258	4,367,181
DEFERRED INFLOWS OF RESOURCES						
Deferred Amount Related to OPEB Liability	77,984	-	-	-	77,984	14,836
Deferred Amount Related to Pension	410,882	-	-	-	410,882	78,263
Total Deferred Inflows of Resources	488,866	-	-	-	488,866	93,099
NET POSITION						
Net Investment in Capital Assets	7,336,255	7,440,170	1,608,561	1,495,983	17,880,969	(111,724)
Unrestricted	19,324,269	7,862,214	3,155,578	2,916,997	33,259,058	1,626,714
Total Net Position	$ 26,660,524	$ 15,302,384	$ 4,764,139	$ 4,412,980	51,140,027	$ 1,514,990
Some amounts reported for business-type activities in the statement of net position are different because certain Internal Service Funds net position is included with business-type activities					(744,132)	
Net Position of Business-Type Activities					$ 50,395,895	

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019

	Business-Type Activities					Governmental Activities -
	Major Enterprise Funds					
	Water Fund	Sewer Fund	Mass Transit Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES						
Charges for Services	$ 30,820,885	$ 6,527,858	$ 555,518	$ 2,181,225	$ 40,085,486	$ 13,762,527
Payroll Deductions/Retiree Contributions	-	-	-	-	-	2,285,361
Other Revenues	149,420	5,271	11,163	-	165,854	141,648
Total Operating Revenues	30,970,305	6,533,129	566,681	2,181,225	40,251,340	16,189,536
OPERATING EXPENSES						
Personnel Services	5,000,146	3,392	5,236,659	-	10,240,197	831,745
Contractual Services	4,371,233	2,865,532	765,387	1,734,581	9,736,733	1,504,141
Supplies	3,096,364	12,047	1,013,535	67,153	4,189,099	983,625
Other Charges	825,044	2,985	382,697	-	1,210,726	11,421,206
Depreciation and Amortization	7,006,470	835,776	360,152	145,931	8,348,329	98,474
Total Operating Expenses	20,299,257	3,719,732	7,758,430	1,947,665	33,725,084	14,839,191
OPERATING INCOME (LOSS)	10,671,048	2,813,397	(7,191,749)	233,560	6,526,256	1,350,345
NONOPERATING REVENUES (EXPENSES)						
Investment Income and Net Increase in Fair Value of Investments	842,919	97,570	4,010	34,633	979,132	52,789
Intergovernmental Revenue	270,048	-	9,409,349	-	9,679,397	-
Interest and Other Charges	(5,417,791)	(297,850)	(6,670)	(64,993)	(5,787,304)	(20,449)
Gain (Loss) on Disposal of Assets	19,502	-	750	-	20,252	(909,866)
Total Nonoperating Revenues (Expenses)	(4,285,322)	(200,280)	9,407,439	(30,360)	4,891,477	(877,526)
INCOME (LOSS) BEFORE TRANSFERS	6,385,726	2,613,117	2,215,690	203,200	11,417,733	472,819
TRANSFERS						
Transfers In	-	-	-	120,000	120,000	-
Transfers Out	(2,020,995)	(509,666)	-	(35,015)	(2,565,676)	(488,275)
Net Transfers	(2,020,995)	(509,666)	-	84,985	(2,445,676)	(488,275)
CHANGE IN NET POSITION	4,364,731	2,103,451	2,215,690	288,185	8,972,057	(15,456)
NET POSITION						
Beginning of Year	22,295,793	13,198,933	2,548,449	4,124,795		1,530,446
End of Year	$ 26,660,524	$ 15,302,384	$ 4,764,139	$ 4,412,980		$ 1,514,990

Reconciliation to Statement of Activities:	
Certain amounts for the Internal Service Funds are allocated to business-type activities in the Statement of Activities	350,131
Net Business-Type Activities	$ 9,322,188

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019

	Business-Type Activities					Governmental Activities -
	Major Enterprise Funds					
	Water Fund	Sewer Fund	Mass Transit Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received from Charges for Services	$ 31,831,847	$ 6,534,179	$ (2,384,174)	$ 2,321,674	$ 38,303,526	$ 16,189,865
Cash Paid to Suppliers for Goods and Services	(7,166,997)	(3,351,243)	(2,690,927)	(1,834,690)	(15,043,857)	(14,834,925)
Cash Paid to Employees/Contract Employees	(4,753,020)	(3,392)	(5,171,100)	-	(9,927,512)	(628,459)
Net Cash Provided (Used) by Operating Activities	19,911,830	3,179,544	(10,246,201)	486,984	13,332,157	726,481
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Intergovernmental Revenue	270,048	-	11,781,459	-	12,051,507	-
Cash Transfers from Other Funds	-	-	-	120,000	120,000	-
Cash Transfers to Other Funds	(2,020,995)	(509,666)	-	(35,015)	(2,565,676)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(1,750,947)	(509,666)	11,781,459	84,985	9,605,831	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of Capital Assets	(17,403,828)	(135,292)	(26,500)	(1,368,101)	(18,933,721)	-
Proceeds from the Acquisition of Debt	-	-	-	1,243,814	1,243,814	-
Proceeds from the Sale of Capital Assets	19,502	-	750	-	20,252	209
Principal Payment on Debt	(8,113,424)	(798,196)	(36,826)	(127,952)	(9,076,398)	(38,397)
Interest Payments and Other Charges	(5,618,137)	(302,322)	(7,514)	(58,352)	(5,986,325)	(20,615)
Net Cash Used by Capital and Related Financing Activities	(31,115,887)	(1,235,810)	(70,090)	(310,591)	(32,732,378)	(58,803)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	(291,210)	-	-	-	(291,210)	-
Proceeds from Sale of Investments	5,161,145	-	-	-	5,161,145	-
Investment Income	301,630	97,570	4,010	34,633	437,843	52,789
Net Cash Provided (Used) by Investing Activities	5,171,565	97,570	4,010	34,633	5,307,778	52,789
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(7,783,439)	1,531,638	1,469,178	296,011	(4,486,612)	720,467
Cash and Cash Equivalents - Beginning of Year	28,275,939	7,153,254	19,532	2,553,698	38,002,423	3,921,074
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 20,492,500	$ 8,684,892	$ 1,488,710	$ 2,849,709	$ 33,515,811	$ 4,641,541

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2019

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Major Enterprise Funds					
	Water Fund	Sewer Fund	Mass Transit Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	$ 10,671,048	$ 2,813,397	$ (7,191,749)	$ 233,560	$ 6,526,256	$ 1,350,345
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	7,006,470	835,776	360,152	145,931	8,348,329	98,474
Unrealized Gain on Investments	(124,520)	-	-	-	(124,520)	-
Effects of Changes in Operating Assets and Liabilities:						
Receivables	76,109	1,050	(2,950,855)	140,449	(2,733,247)	329
Other Receivable	13,953	-	-	-	13,953	-
Inventories	551	-	(27,177)	-	(26,626)	(4,466)
Prepaid Items	-	-	(134,598)	-	(134,598)	(78,449)
Due from Other Funds	896,000	-	-	-	896,000	-
Accounts Payable	748,862	(508,884)	32,467	128,460	400,905	(683,265)
Contracts Payable	376,231	38,205	-	(161,416)	253,020	-
Compensated Absences	8,935	-	-	-	8,935	-
OPEB	197,078	-	-	-	197,078	37,493
Other Liabilities	17,014	-	65,559	-	82,573	1,381
Deferred Outflows-OPEB	(197,950)	-	-	-	(197,950)	(2,697)
Deferred Outflows-Pensions	(1,365,683)	-	-	-	(1,365,683)	(260,131)
Net Pension Liability	2,554,558	-	-	-	2,554,558	486,583
Deferred Inflows-Pensions	(952,647)	-	-	-	(952,647)	(181,457)
Deferred Inflows-OPEB	(14,179)	-	-	-	(14,179)	(37,659)
Due to Other Funds	-	-	(400,000)	-	(400,000)	-
Net Cash Provided (Used) by Operating Activities	$ 19,911,830	$ 3,179,544	$ (10,246,201)	$ 486,984	$ 13,332,157	$ 726,481
SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION						
Noncash Transactions	$ 8,806,246	$ 1,437,521	$ 4,429,161	$ 1,250,085	$ 15,923,013	$ -

NONCASH TRANSACTIONS

Property and equipment purchases in the Sewer Fund for which the cash has not been disbursed but rather is in accounts payable amounted to $1,488,590.

Property and equipment purchases in the Sewer Fund for the prior year which the cash had not been disbursed but rather was in accounts payable amounted to $51,069, which was reversed out in the current year.

Property and equipment purchases in Water Fund for the prior year which the cash had not been disbursed but rather was in accounts payable or contracts payable amounted to $9,375,028, which was reversed out in the current year.

Property and equipment purchases in the Water Fund for which the cash has not been disbursed but rather is in accounts payable or contracts payable amounted to $568,782.

Property and equipment purchases in the Storm Water Fund for the prior year which the cash had not been disbursed but rather was in accounts payable amounted to $1,004,247, which was reversed out in the current year.

Property and equipment purchases in the Mass Transit Fund for which the cash has not been disbursed but rather is in accounts payable amounted to $4,429,161.

Property and equipment purchases in the Fiber Optics Fund for the prior year which the cash had not been disbursed but rather was in accounts payable amounted to $245,838, which was reversed out in the current year.

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
PENSION TRUST FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2019

ASSETS

Cash and Short-Term Investments	$ 9,293,438
Accrued Interest	391,621
Investments, at Fair Value:	
U.S. Government Obligations	37,677,684
Mutual Funds	98,710,386
Common Stock	30,215,996
Annuities	150,758
Municipal Bonds	2,738,251
Corporate Bonds	23,808,102
Total Investments	193,301,177
Total Assets	$ 202,986,236

LIABILITIES AND NET POSITION

CURRENT LIABILITIES	
Accounts Payable	$ 61,341
Total Current Liabilities	61,341
NET POSITION	
Net Position Restricted for Pensions	202,924,895
Total Liabilities and Net Position	$ 202,986,236

See accompanying Notes to Financial Statements.

CITY OF DECATUR, ILLINOIS
PENSION TRUST FUNDS
STATEMENT OF CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019

ADDITIONS	
Contributions:	
Employer	$ 10,623,412
Plan Member	2,156,010
Miscellaneous Revenue	3,079
Total Contributions	12,782,501
Investment Earnings:	
Interest and Dividends	1,918,374
Net Increase in the Fair Value of Investments	29,959,796
Total Investment Income	31,878,170
Less: Investment Expense	443,789
Net Investment Income	31,434,381
Total Additions	44,216,882
DEDUCTIONS	
Benefits and Refunds	16,554,411
Administrative Expense	182,242
Total Deductions	16,736,653
CHANGE IN NET POSITION	27,480,229
Net Position - Beginning of Year	175,444,666
NET POSITION - END OF YEAR	$ 202,924,895

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Decatur, Illinois (the City) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governments as promulgated by the Governmental Accounting Standards Board (GASB). The more significant of these accounting policies are as follows:

The Financial Reporting Entity

The City of Decatur, Illinois is a municipal corporation with a council/manager form of government. Revenues are substantially generated as a result of taxes assessed and allocated to the City (examples would be property, sales, income, and state motor fuel taxes), locally imposed and collected taxes (examples would be food and beverage, hotel use, local motor fuel), charges for services performed and governmental grants. Revenues are therefore dependent on the economy within the territorial boundaries of the City and nearby surrounding area and the appropriations of entitlements at the state and federal government level. Taxable industry within the area is primarily manufacturing and retail. The surrounding area has a substantial agricultural base.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The City's reporting entity includes the City's governing board and all related organizations for which the City is financially accountable.

Blended Component Unit

DCDF, Inc. is a nonprofit corporation which finances and subsidizes housing rehabilitation activities within the City. DCDF, Inc. members are comprised entirely of the City Council and the Mayor. The members, who are the governing body of DCDF, Inc., appoint a six member advisory board. The members retain ultimate control over DCDF, Inc. Therefore, DCDF, Inc. is reported as if it were part of the primary government. DCDF, Inc. is the vehicle through which a portion of the City's redevelopment efforts are conducted. All of DCDF, Inc.'s activities are directed entirely by the City. In addition, the City's employees are responsible for the day-to-day administrative and financial management of DCDF, Inc., and grant funds used by DCDF, Inc. are in the City's name. DCDF, Inc. is included as a nonmajor special revenue fund in the City's financial statements. Separate financial statements are not issued for this component unit.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Financial Reporting Entity (Continued)

Discretely Presented Component Unit

The Decatur Metropolitan Exposition, Auditorium and Office Building Authority (Civic Center Authority) was made possible by Act 265 of the Illinois Compiled Statutes (70ILCS265/1 et seq). Its primary purpose is to provide office space and administrative services for various meeting and entertainment functions. The Mayor of the City appoints the board of directors. The Civic Center Authority imposes a financial burden upon the City due to an intergovernmental cooperation agreement in which the City agreed to pay all cash operating deficits of the Civic Center Authority. The Civic Center Authority does not have a legally adopted budget.

Complete financial statements for the Civic Center Authority may be obtained at Civic Center Authority, #1 Gary K. Anderson Plaza, Decatur, Illinois 62523.

Related Organizations

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments.

Joint Venture

The City is a participant with Macon County, Illinois (the County) in a nonequity joint venture to provide financial support for the Central Illinois Regional Dispatch Center (CIRDC). The Central Illinois Regional Dispatch Center (CIRDC), is a separate legal entity, owns and operates the Central Illinois Regional Dispatch Center. The CIRDC is governed by a three-member board composed of the Macon County Board Chair, the Mayor of the City of Decatur, and an at large member of the community recommended by the Macon County Emergency Telephone System Board. Complete financial statements for the CIRDC can be obtained from the CIRDC's administrative office at 141 S. Main Street, Suite 810, Decatur, Illinois 62523.

Basis of Presentation

The City's basic financial statements consist of City-wide statements, including a statement of net position and a statement of activities, and fund-financial statements, which provide a more detailed level of financial information. The City-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

City-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. In the City-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the consolidated financial statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The City-wide statement of activities reflects both the direct expenses and net cost of each function of the City's governmental activities and business-type activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the City.

Fund Financial Statements

The financial transactions of the City are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting

City-Wide Financial Statements

The City-wide financial statements and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The City has reported three categories of program revenues in the statement of activities (1) fees, fines, and charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources; they reduce the net cost of each function to be financed from the City's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the "grossing-up" effect on assets and liabilities within the governmental and business-type activities columns for amounts reported in the individual funds as interfund receivables and payables. Similarly, transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental or proprietary funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net position as accounts receivable or payable to external parties.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the City considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes, income taxes, and other taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Nonexchange transactions, in which the City receives value without directly giving equal value in return, include taxes, grants, and donations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Unearned revenue is reported on the governmental fund balance sheet. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenue includes grant awards received but unearned because the fulfillment of expenditure provisions has not yet occurred.

Proprietary funds separate all activity into two categories: operating and nonoperating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Nonoperating revenues and expenses entail all other activity not included in operating revenues and expenses. Nonoperating revenues and expenses include capital and noncapital financing activities and investing activities.

Differences occur from the manner in which the governmental activities and the City-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity, as an example. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the City-wide statements and the statements for governmental funds.

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all of the general revenues of the City which are not specifically levied or collected for other City funds, and for expenditures related to public works, public safety, and other general governmental activities of the City.

Proprietary Funds

Proprietary funds are used to account for those City activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

The City reports the following major proprietary funds:

Water Fund – This fund accounts for the construction, operation, and maintenance of the City-owned water treatment and distribution system. Revenues are generated through charges to users based upon water consumption.

Sewer Fund – This fund accounts for the construction, operation, and maintenance of the City-owned sanitary sewer collection system.

Mass Transit Fund – This fund accounts for the operation and maintenance of the City-owned public transit system.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governments, or other funds. These include Pension Trust Funds. The Pension Trusts include the Fire Pension Fund and Police Pension Fund which account for activities as prescribed by the statutes of the state of Illinois.

In addition to the major funds mentioned above, the City uses the following fund types:

Governmental Fund Types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

Debt Service Funds – Debt Service Funds are used to account for the City's accumulation of resources for, and the payment of, long-term debt, principal, interest, and related costs.

Capital Projects Funds – The Capital Projects Funds are used to account for the City's purchase or construction of major capital facilities, which are not financed by other funds.

Proprietary Fund Types:

Enterprise Funds – The Enterprise Funds operations are financed similar to a private business enterprise; the intent is that the cost of the service is financed by user charges, and the activities be measured on a net income basis.

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government, on a cost-reimbursement basis. Such goods and services include maintenance of City vehicles, and administration of the City's self-insurance policies, including risk management and employee benefit insurance.

Pooled Cash and Investments

The City maintains pooled cash accounts for different fund groups which are used to account for all cash and investment transactions of that group. Monthly interest income of each pool is distributed to the individual funds based on their average cash balance in the pool during that period.

Investments are stated at fair value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Inventories

The only significant inventories are those of supplies and parts in the Water Fund, Mass Transit Fund, and Fleet Maintenance Fund which are valued at cost, with cost determined on a first-in first-out basis. A perpetual inventory system is used which is adjusted annually based on a physical count. Cost is recorded at the time of purchase and is charged to the appropriate activity when consumed.

Long-Term Debt

In the City-wide financial statements and in the proprietary fund financial statements, long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, sewer lines, water mains), are reported in the applicable governmental or business-type activities columns in the City-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost meeting certain capitalization thresholds and a useful life of more than two years. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements to land and buildings are capitalized.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed. The amount of interest capitalized depends on the specific circumstances. This year, interest of $-0- was capitalized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Category of Assets	Capitalization Threshold	Estimated Useful Life
Building and Other Improvements	$50,000 (Improvements) $100,000 (New)	10 to 50 Years
Infrastructure – Roads	$50,000 (Improvements) $100,000 (New)	18 to 50 Years
Office Furniture	$5,000	5 Years
Office Equipment	$5,000	4 to10 Years
Water Treatment Equipment	$5,000	15 to 20 Years
Automobiles	$5,000	2 to 7 Years
Trucks	$5,000	2 to 8 Years
Buses	$5,000	12 Years
Other Vehicles	$5,000	2 to 10 Years
Other Machinery and Equipment	$5,000	4 to 20 Years

Equity Classifications

Fund equity, representing the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources, is classified as follows in the City's financial statements:

Government-Wide Statements

Fund equity is classified as net position in the government-wide financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement for those assets (net of any unspent debt proceeds). Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is displayed as unrestricted.

Fund Financial Statements

The following classifications describe the categories of fund balance on the fund financial statements based on the relative strength of the spending constraints:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications (Continued)

Fund Financial Statements (Continued)

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action (ordinance) of the City Council. A commitment may only be rescinded by the same formal action of the City Council.

Assigned – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council, or through the City Council delegating this responsibility to the Finance Director or other official, in accordance with Council budget policies. There were no assigned fund balances as of December 31, 2019.

Unassigned – This classification includes the residual fund balance for the General Fund and includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

Use of Restricted Resources

The City would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Property Taxes

The City's property tax is levied each year by the second Tuesday of December on all taxable real property located in the City. A lien on all taxable real property is effective on January 1 of the tax year.

The City is a home rule community under the 1970 Illinois Constitution and, accordingly, does not have a statutory tax rate limit.

Property in Macon County, Illinois, the county in which the City resides, is assessed by the Macon County Assessor. The values are adjusted by various percentages depending upon the type of property (residential, commercial, etc.). The assessed values are equalized by the Illinois Department of Revenue to ensure uniformity of property assessments throughout the state. The Macon County Clerk computes the annual tax rate by dividing the levy into the equalized value of each taxing unit. The Clerk then computes the tax for each parcel by multiplying the aggregate rates of all the taxing units having jurisdiction over the parcel by the equalized value. The tax amounts by parcel are forwarded to the Macon County Treasurer for tax billing to property owners.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (Continued)

Property taxes are collected by the Macon County Treasurer who affects the tax distribution to the taxing units based on the taxing unit respective share of the tax collection. Taxes levied in one year become due and payable by property owners in two equal installments during the following year. The first installment is due no later than June 1st and the second installment is due no later than September 1st. The Macon County Treasurer distributes the tax collection to the taxing units within 45 days of collection due date.

Based on collection histories, the City has provided at December 31, 2019 an allowance for uncollectible real property taxes equivalent to 1% of the current year's levy.

Since the 2019 property tax levy is measurable at December 31 but not available to finance current period obligations, a receivable and deferred inflow of resources is recorded in the government-wide and fund statements.

Compensated Absences

City employees receive vacation and sick pay in varying amounts based upon their employment anniversary dates. The City reimburses employees for accumulated vacation days upon their termination or retirement. Employees must take vacation accrued during the year of the accrual. Management and general service employees, fire, and police, may accumulate up to 240, 200, and 200 days of sick leave, respectively, to be paid upon death or retirement. The City pays no accumulated sick leave upon termination.

City employees required to work on any of the City's authorized holidays are given equivalent time off. This holiday time is reimbursable to employees upon termination or retirement.

A liability for compensated absences (unused vacation, sick, and holiday time) of the City relating to employees of the governmental activities is recorded in the City-wide financial statements. The compensated absences will be paid from the fund from which the employee is paid. For governmental funds this includes the General Fund and Library Fund.

The accumulated vacation, sick, and holiday time liability of employees charged to the Proprietary Fund Types is reported as an expense and as a liability of those funds as the benefits accrue to the employees.

Interfund Transactions/Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" for the current portion of interfund loans or "advances to/from other funds" for the noncurrent portion of interfund loans. All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the City-wide financial statements as "internal balances".

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Claims and Judgments

When a probable claim liability has been incurred at year-end and the amount of the loss can be reasonably estimated, the City records the estimated loss under its self-insurance program. The claim liability includes claims incurred but not reported (IBNR), based on historical data pursuant to the self-funded workmen's compensation, comprehensive general liability, employee dishonesty, property damage, medical, dental, and unemployment compensation programs.

Deferred Outflows of Resources

The City reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its statements of net position. The City has two types of deferred outflow of resources which occur related to its pension and OPEB plans. The City has deferred outflows related to pension and OPEB expense to be recognized in future periods.

Deferred Inflows of Resources

This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The City will not recognize the related revenue until a future event occurs. The City has several types of items which occur related to revenue recognition. One occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year, as it is meant to finance the next fiscal year. Another occurs as various other receivables are recorded for which the revenue will be recorded next year, when available, in the fund statements. In addition, there are deferred inflows of resources relates to the pension liability and OPEB liability and income that will be recognized in future periods related to these.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Subsequent Event

Subsequent to year-end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the City, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, costs for emergency preparedness and shortages of personnel. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year-end and are still developing.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Event (Continued)

During the period from January 1, 2020 through June 29, 2020, both domestic and international equity markets have experienced significant declines. These losses are not reflected in the financial statements as of and for the year ended December 31, 2019 as these events occurred subsequent to year end and are still developing.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Appropriated Budget and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The annual budget is legally adopted by Council Resolution through the budgetary process on an annual fiscal year basis for the general fund, special revenue funds (including TIF redevelopment funds), debt service funds, capital project funds, enterprise funds, internal service funds, and pension trust funds.

2. The process is initiated in September of each year, with departmental requests presented in October to the Budget Review Committee comprised of the City Manager, City Treasurer, and Director of Finance.

3. The City Manager's proposed and balanced executive budget is presented to the City Council during November with a public hearing and final adoption taking place prior to December 31st of each year.

4. The appropriated budget is legally enacted through the passage of an Appropriation Ordinance before the end of March of each year, in accordance with State of Illinois statutory requirements. The Appropriation Ordinance may include changes from the approved budget and is adopted upon City Council passage after an additional public hearing.

5. Both the appropriated budget and Appropriation Ordinance are prepared on a cash basis which is not in accordance with Generally Accepted Accounting Principles (GAAP). The Budget to Actual schedule included in Required Supplementary Information include the amounts of timing differences necessary to reconcile the non-GAAP actual to GAAP actual fund balance for the General Fund.

6. The level of budgetary control is by Fund. Therefore, expenditures cannot legally exceed appropriations beyond this level.

7. Supplemental appropriation ordinances may be passed by the City Council, as required to appropriate new spending for expenditure not contemplated in the fiscal year appropriation ordinance, with funding provided by a new revenue source or expended from fund balance reserves.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Excess of Expenditures Over Appropriations

No major funds had an excess of actual expenditures over legally enacted budget.

NOTE 3 DEPOSITS AND INVESTMENTS

The City has adopted investment policies and procedures as recommended by an investment advisory committee and approved by the City Manager, all within the guidelines established for the investment of public funds in accordance with the Illinois Compiled Statutes. The City is authorized by statute and policy to make deposits or investments in obligations of the United States Government; obligations of states or their political subdivisions; savings accounts, time deposits, certificates of deposit, or other investments which are direct obligations of banks as defined by the Illinois Banking Act; credit union shares; repurchase agreements; commercial paper rated within the three highest classifications by at least two standard rating services; the Illinois Public Treasurer's Investment Pool; and funds managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations' tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivision, stocks, mutual funds, and Illinois insurance companies' general and separate accounts.

At year-end, the carrying value of the City's deposits, including certificates of deposit, was $52,232,674, and the respective bank balances totaled $53,253,718, not including cash on hand of $6,615.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's formal investment policy states the portfolio shall remain sufficiently liquid to meet all operating costs which may be reasonably anticipated. In addition, the City shall maintain a diversity of investments to avoid unreasonable risks. The portfolio should obtain a comparable rate of return during a market/economic environment of stable interest rates.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligation. The standard of prudence to be used by the City shall be the "prudent person" standard which states:

> Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the possible income to be derived.

The above standard is established as the standard for professional responsibility and shall be applied in the context of managing the City's overall portfolio.

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk (Continued)

33% of the Government's investments in U.S. Government agencies were rated Aaa by Moody's Investors Service, and ratings were not available for the remaining 67%. 36% of the government's investments in municipal bonds were rated Aaa by Moody's, 21% were rated Aa1, 6% were rated Aa2, 29% were rated AA+, 5% were rated AA, and 3% were not rated. 5% of the government's investments in corporate bonds were rated Aaa by Moody's, 2% were rated Aa1, 3% were rated Aa2, 4% were rated Aa3, 14% were rated A1, 17% were rated A2, 17% were rated A3, 24% were rated Baa1, 8% were rated Baa2, 5% were rated Baa3, and 1% were not rated.

Custodial Credit Risk

Custodial credit risk is the risk that a government will not be able to cover deposits if the depository financial institution fails or will not be able to recover collateral securities that are in the possession of an outside party. The City's deposit policy allows that funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent, third-party institution in the name of the City. As of December 31, 2019, the City's bank deposits were fully collateralized.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy requires diversification of investment to avoid unreasonable risk. At December 31, 2019, the City's investments representing greater than 5% of their total fund investments was U.S. Treasury Bond ($16,287,775). At December 31, 2019, the Police Pension Funds' investments representing greater than 5% of their total fund investments was American Funds ($11,840,386), Capital World Growth ($26,593,724), Fannie Mae Pools ($7,025,594), T. Rowe Price ($14,665,276), and United States Treasury ($10,419,893). At December 31, 2019, the Firefighters' Pension Funds' investments representing greater than 5% of their total fund investments was Goldman Sachs ($5,385,325), IShares TR ($9,027,650), PIMCO ($4,317,820), T. Rowe Price ($8,013,294), and United States Treasury ($8,277,024).

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk (Continued)

As of December 31, 2019, the City had the following investments:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
Cash and Money Market	$ 6,960,481	$ 6,960,481	$ -	$ -	$ -
Certificates of Deposit	149,331	-	-	149,331	-
U.S. Government Agencies	18,762,025	286,799	1,477,703	2,580,271	14,417,252
Corporate Bonds	23,808,102	823,559	11,139,815	9,468,478	2,376,250
Municipal Bonds	2,738,251	82,115	747,181	167,940	1,741,015
U.S. Treasury Bonds	35,203,435	12,919,927	16,383,075	2,742,986	3,157,447
Annuities	150,758	-	-	-	150,758
Mutual Funds	98,710,386	98,710,386	-	-	-
Common Stock	30,215,996	30,215,996	-	-	-
Total	$ 216,698,765	$ 149,999,263	$ 29,747,774	$ 15,109,006	$ 21,842,722

The City invests in various investment securities. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the Statement of Net Position.

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs (quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs such as investments and yield curves, implied volatiles, and credit spreads); Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of December 31, 2019:

Level 1 Inputs of $30,215,996 – including common stock.

Level 2 Inputs of $179,522,288 – including U.S. government agencies, U.S. treasury securities, municipal bonds, corporate bonds, mutual funds, and annuities.

Investments in The Illinois Funds

The State Treasurer maintains the Illinois Treasurer's Investment Pool (Pool) at cost and fair value through daily adjustment in the interest earnings. The State Treasurer also maintains the average duration of the Pool at less than 25 days. The Pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. The Pool maintains a Standard and Poor's AAA rating. The City's investments in the Illinois Funds are not required to be categorized because these are not securities. The relationship between the City and the investment agent is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership or creditorship. At December 31, 2019, the City had $78,738 in the Pool, which approximates fair value.

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk (Continued)

Investments in The Illinois Funds (Continued)

All funds deposited in the Pool are classified as investments even though some could be withdrawn on a day's notice. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235.

At December 31, 2019, cash and cash equivalents for the Civic Center Authority are comprised of cash on hand of $1,774 and bank deposits of $508,984 (carrying value of $508,325).

Reconciliation of this footnote to the financial statements:

	Primary Government
Carrying Amount of Bank Deposits – per Note Above	$ 52,232,674
Cash on Hand – per Note Above	6,615
Investments – per Note Above (Including Illinois Funds)	216,698,765
Total	$ 268,938,054

	Primary Government
Statement of Net Position	
Cash and Cash Equivalents	$ 60,365,678
Investments	5,977,761
Statement of Fiduciary Net Position - Pension Trust Funds	
Cash and Short-Term Investments	9,293,438
Long-Term Investments	193,301,177
Total	$ 268,938,054

NOTE 4 INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables as of December 31, 2019 are summarized below:

	Due from Other Funds	Due to Other Funds
Nonmajor Governmental Funds	$ 2,600	$ 1,684,416
Major Enterprise Funds		
Water	1,681,816	-
Total	$ 1,684,416	$ 1,684,416

Interfund receivables and payables are primarily used to record:

- Interfund loans to cover short-term cash flow needs.
- Interfund loans between funds for various programs.

NOTE 5 TRANSFERS

The following transfers were made during the fiscal year between funds within the primary government:

	Transfers In	Transfers Out
Major Governmental Funds		
General	$ 1,764,132	$ 1,252,776
Nonmajor Governmental Funds	3,141,296	718,701
Major Enterprise Funds		
Water	-	509,666
Sewer	-	2,020,995
Nonmajor Enterprise Funds	120,000	35,015
Internal Service Funds	-	488,275
Total	$ 5,025,428	$ 5,025,428

The transfers represent both routine and nonroutine items. Generally, routine transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund or other funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

Primary Government

	Balance December 31, 2018	Additions	Deletions	Transfers	Balance December 31, 2019
Governmental Activities *					
Capital Assets Not Being Depreciated					
Land	$ 7,700,426	$ 1,675,187	$ 121,187	$ -	$ 9,254,426
Construction in Progress	5,016,693	4,317,044	2,108,718	-	7,225,019
Subtotal	12,717,119	5,992,231	2,229,905	-	16,479,445
Capital Assets Being Depreciated					
Infrastructure	130,612,623	3,175,871	-	-	133,788,494
Buildings and Improvements	47,021,040	1,455,883	3,073,844	-	45,403,079
Vehicles	14,361,337	364,145	335,720	(286,710)	14,103,052
Office Equipment	4,694,832	74,668	-	-	4,769,500
Other Equipment	10,018,272	1,463,783	390,290	(222,660)	10,869,105
Subtotal	206,708,104	6,534,350	3,799,854	(509,370)	208,933,230
Less Accumulated Depreciation for:					
Infrastructure	(73,967,565)	(3,805,016)	-	-	(77,772,581)
Buildings and Improvements	(27,323,935)	(1,335,949)	(2,619,993)	-	(26,039,891)
Vehicles	(11,497,098)	(719,292)	(320,727)	286,710	(11,608,953)
Office Equipment	(2,703,701)	(357,240)	-	-	(3,060,941)
Other Equipment	(8,463,823)	(985,432)	(390,290)	222,660	(8,836,305)
Total Accumulated Depreciation	(123,956,122)	(7,202,929)	(3,331,010)	509,370	(127,318,671)
Total Capital Assets Being Depreciated, Net	82,751,982	(668,579)	468,844	-	81,614,559
Total Governmental Activities Capital Assets, Net	$ 95,469,101	$ 5,323,652	$ 2,698,749	$ -	$ 98,094,004

*Includes internal service funds

Business-Type Activities					
Capital Assets Not Being Depreciated					
Land	$ 4,450,066	$ -	$ -	$ -	$ 4,450,066
Construction in Progress	3,833,252	3,038,909	1,147,818	-	5,724,343
Subtotal	8,283,318	3,038,909	1,147,818	-	10,174,409
Capital Assets Being Depreciated					
Infrastructure	57,102,637	4,282,694	-	-	61,385,331
Buildings and Improvements	183,542,986	2,731,219	6,088	-	186,268,117
Vehicles	8,312,423	4,600,927	27,169	286,710	13,172,891
Office Equipment	119,980	-	-	-	119,980
Other Equipment	18,574,258	90,322	24,500	222,660	18,862,740
Subtotal	267,652,284	11,705,162	57,757	509,370	279,809,059
Less Accumulated Depreciation for:					
Infrastructure	(19,229,098)	(1,506,284)	-	-	(20,735,382)
Buildings and Improvements	(81,196,963)	(5,315,268)	(6,088)	-	(86,506,143)
Vehicles	(6,866,501)	(379,553)	(27,169)	(286,710)	(7,505,595)
Office Equipment	(108,871)	(6,087)	-	-	(114,958)
Other Equipment	(4,857,522)	(1,141,137)	(24,500)	(222,660)	(6,196,819)
Total Accumulated Depreciation	(112,258,955)	(8,348,329)	(57,757)	(509,370)	(121,058,897)
Total Capital Assets Being Depreciated, Net	155,393,329	3,356,833	-	-	158,750,162
Total Business-Type Activities Capital Assets, Net	$ 163,676,647	$ 6,395,742	$ 1,147,818	$ -	$ 168,924,571

NOTE 6 CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

Depreciation expense of $7,104,455 and $8,348,329 was charged to the governmental and business-type activities functional expense categories, respectively, as follows:

Governmental Activities	Depreciation	Business-Type Activities	Depreciation
General Government	$ 1,817,439	Water	$ 7,006,470
Public Safety	1,134,284	Mass Transit	360,152
Public Works	3,584,142	Fiber Optics	43,447
Culture and Recreation	568,590	Sewer	835,776
*Total	$ 7,104,455	Storm Water	102,484
		Total	$ 8,348,329

*Excludes internal service fund depreciation of $98,474 included in primary government depreciation on the previous page.

Discretely Presented Component Unit

Activity for the Civic Center Authority for the year ended December 31, 2019 was as follows:

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019
Capital Assets Not Being Depreciated				
Land	$ 3,130,762	$ -	$ -	$ 3,130,762
Construction in Progress - HVAC	681,986	-	681,986	-
Total Capital Assets Being Not Depreciated	3,812,748	-	681,986	3,130,762
Capital Assets Being Depreciated				
Buildings and Equipment	14,096,189	1,315,418	934,594	14,477,013
Less Accumulated Depreciation for:				
Buildings and Equipment	(11,868,289)	(349,409)	(825,824)	(11,391,874)
Total Capital Assets Being Depreciated, Net	2,227,900	966,009	108,770	3,085,139
Civic Center Capital Assets, Net	$ 6,040,648	$ 966,009	$ 790,756	$ 6,215,901

NOTE 7 RECEIVABLES

The following is a summary of other taxes, due from other governments, accounts, notes, and other receivables by fund type at December 31, 2019, less the allowance for uncollectible accounts. Any other uncollectible amounts are not believed to be material.

Governmental Activities

	General	Special Revenue	Debt Service	Capital Projects	Internal Services	Total Statement of Net Position
Other Taxes						
Hotel and Motel Tax	$ 49,786	$ -	$ -	$ -	$ -	$ 49,786
Food and Beverage Tax	308,558	1,824	-	-	-	310,382
Cable TV Tax	246,373	-	-	-	-	246,373
Utility Tax	790,517	-	-	-	-	790,517
Motor Fuel Tax	-	160,996	-	-	-	160,996
State Route Maintenance	31,504	21,036	-	-	-	52,540
State Income Tax	696,619	-	-	-	-	696,619
State Replacement Tax	175,190	51,740	-	-	-	226,930
Total Other Taxes	$ 2,298,547	$ 235,596	$ -	$ -	$ -	$ 2,534,143
Due from Other Governments						
Grants	$ 8,474	$ 1,273,569	$ -	$ -	$ -	$ 1,282,043
Allotments	-	570,932	-	-	-	570,932
Total Due from Other Governments	$ 8,474	$ 1,844,501	$ -	$ -	$ -	$ 1,852,975
Accounts Receivable						
General Billings	$ 143,573	$ 145,101	$ -	$ 6,962	$ 1,285	$ 296,921
Outstanding Parking Tickets	526,080	-	-	-	-	526,080
Allowance for Uncollectible Portion	(299,105)	-	-	-	-	(299,105)
Total Accounts Receivable	$ 370,548	$ 145,101	$ -	$ 6,962	$ 1,285	$ 523,896
Notes Receivable						
Installment Notes	$ -	$ 225,353	$ -	$ -	$ -	$ 225,353
Home Program Loans	-	220,620	-	-	-	220,620
Allowance for Uncollectible Notes	-	(77,142)	-	-	-	(77,142)
Total Notes Receivable	$ -	$ 368,831	$ -	$ -	$ -	$ 368,831
Other						
Investment Income	$ 23,859	$ -	$ 433	$ 18,576	$ -	$ 42,868

Notes receivable include loans made through the DCDF, Inc. housing rehabilitation program under the terms of mortgage-secured installment notes with interest rates ranging from zero to 6%. The term of the notes is not to exceed twenty years. Notes are classified as either installment or deferred. Deferred notes have repayment terms beginning sometime in the future.

NOTE 7 RECEIVABLES (CONTINUED)

Business-Type Activities

	Enterprise
Accounts Receivable	
Water Billings	$ 2,505,526
Watermain Tapping	9,827
Sanitary District	385,539
Grants	5,329,161
Recycling Fees	56,250
Fiber Optics	450
Sewer Billings	313,893
Storm Water	75,026
Total Accounts Receivable	$ 8,675,672

NOTE 8 LONG-TERM DEBT

The following is a summary of changes to the City's long-term debt for the year:

Governmental Activities *	Obligations Outstanding at December 31, 2018	Debt Additions	Debt Retirement	Obligations Outstanding at December 31, 2019	Due Within One Year
General Obligation Bonds:					
Series of 2010A	$ 7,235,000	$ -	$ 6,715,000	$ 520,000	$ 520,000
Series of 2010B	7,308,330	-	469,050	6,839,280	497,370
Series of 2010C	1,430,000	-	215,000	1,215,000	225,000
Series of 2012	4,860,000	-	645,000	4,215,000	655,000
Series of 2018	9,600,000	-	-	9,600,000	325,000
Series of 2019	-	6,720,000	115,000	6,605,000	105,000
Series of 2019B	-	2,300,000	-	2,300,000	200,000
(Less) Plus Deferred Amounts for:					
Issuance Premiums	1,270,937	-	86,099	1,184,838	86,099
Total General Obligation Bonds	31,704,267	9,020,000	8,245,149	32,479,118	2,613,469
Notes Payable:					
HUD Section 108, 2002-A	810,000	-	810,000	-	-
2013 Regions Note	798,813	-	50,412	748,401	54,360
2014 Busey Bank	156,941	-	156,941	-	-
2014 Soy Capital Bank	467,462	-	115,330	352,132	118,586
2015 Busey Fire Note	259,932	-	62,784	197,148	64,228
2016 Busey Street Note	5,089,834	267,308	1,071,430	4,285,712	1,071,429
2017 Busey Police Note	174,648	-	174,648	-	-
2017 Busey Public Works	138,170	-	35,221	102,949	36,380
2019 Busey Police Note	-	261,460	63,912	197,548	130,715
HUD Section 108, 2019-A	-	810,000	195,000	615,000	200,000
Total Notes Payable	7,895,800	1,338,768	2,735,678	6,498,890	1,675,698
Compensated Absences	6,030,960	3,212,506	2,473,045	6,770,421	3,215,950
Capital Leases	965,100	1,004,370	1,291,244	678,226	185,993
Total Governmental Activities	$ 46,596,127	$ 14,575,644	$ 14,745,116	$ 46,426,655	$ 7,691,110

*Includes internal service funds

NOTE 8 LONG-TERM DEBT (CONTINUED)

	Obligations Outstanding at December 31, 2018	Debt Additions	Debt Retirement	Obligations Outstanding December 31, 2019	Due Within One Year
Business-Type Activities					
General Obligation Bonds:					
Series of 2010B	$ 13,336,670	$ -	$ 855,950	$ 12,480,720	$ 907,630
Series of 2013	10,840,000	-	1,325,000	9,515,000	1,390,000
Series of 2014	20,745,000	-	920,000	19,825,000	955,000
Series of 2015	20,860,000	-	865,000	19,995,000	900,000
Series of 2016	21,205,000	-	785,000	20,420,000	815,000
Series of 2017	5,375,000	-	925,000	4,450,000	950,000
Series of 2018	16,210,000	-	785,000	15,425,000	520,000
(Less) Plus Deferred Amounts for:					
Issuance Premiums	7,014,564	-	541,289	6,473,275	541,289
Total General Obligation Bonds	115,586,234	-	7,002,239	108,583,995	6,978,919
Notes Payable:					
2001 IEPA Loan	1,492,453	-	444,208	1,048,245	457,203
IEPA Water Loan	4,701,847	-	361,680	4,340,167	361,681
2013 IEPA Sewer Loan	6,301,985	-	339,699	5,962,286	346,286
2013 Regions Note	13,512,366	-	853,039	12,659,327	919,841
2014 IEPA Loan	1,905,231	-	95,163	1,810,068	97,073
2014 Soy Capital Bank	117,770	-	29,056	88,714	29,876
2016 IEPA Sewer Loan	8,364,038	-	363,332	8,000,706	369,719
2017 IEPA Storm Sewer Loan	2,337,368	1,243,814	127,952	3,453,230	159,576
Total Notes Payable	38,733,058	1,243,814	2,614,129	37,362,743	2,741,255
Compensated Absences	525,119	303,599	249,380	579,338	275,186
Capital Leases	1,319	-	1,319	-	-
Total Business-Type Activities	$ 154,845,730	$ 1,547,413	$ 9,867,067	$ 146,526,076	$ 9,995,360

See Note 17 for more detail of the capital lease obligations.

Net pension liability and other post-employment benefit liability changes are disclosed in separate footnotes.

Long-term bond and note obligations outstanding at December 31, 2019 are comprised of the following:

General Obligation Bonds

General Obligation Bonds, Series 2010A

$8,715,000 2010 General Obligation Bonds dated November 3, 2010 due December 15, 2030; interest of 3.50% to 6.30% (principal and interest to be serviced by annual tax levy) to refund Series 2005, 2005A, and 2008A general obligation notes which were used for various capital projects. Remaining funds were used to finance capital improvements in the City. This bond was partially refunded through the issuance of the Series 2019 general obligation bond.

NOTE 8 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

General Obligation Bonds, Series 2010A (Continued)

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 520,000	$ 24,700	$ 544,700

General Obligation Bonds, Series 2010B

$28,270,000 2010 General Obligation Bonds dated November 3, 2010 due December 15, 2030; interest of 1.50% to 7.00% (principal and interest to be serviced by annual tax levy) to finance capital improvements in the City.

Fiscal Year	Principal	Interest	Treasury Rebate	Total Debt Service
2020	$ 1,405,000	$ 1,147,249	$ (424,661)	$ 2,127,588
2021	1,480,000	1,082,268	(401,918)	2,160,350
2022	1,585,000	1,010,118	(376,665)	2,218,453
2023	1,685,000	928,886	(348,234)	2,265,652
2024	1,795,000	836,211	(315,798)	2,315,413
2025-2029	9,290,000	2,583,528	(1,012,893)	10,860,635
2030	2,080,000	145,600	(59,325)	2,166,275
Total	$ 19,320,000	$ 7,733,860	$ (2,939,494)	$ 24,114,366

Subsequent to year end, the City committed to an advanced refunding of this debt in December 2020. The new par will be $18,050,000 with an interest rate of 2.1%, and the same maturity date.

General Obligation Bonds, Series 2010C

$2,800,000 2010 General Obligation Bonds dated November 3, 2010 due December 15, 2024; interest of 2.00% to 4.00% (principal and interest to be serviced by annual tax levy) to finance capital improvements in the City.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 225,000	$ 48,600	$ 273,600
2021	235,000	39,600	274,600
2022	240,000	30,200	270,200
2023	250,000	20,600	270,600
2024	265,000	10,600	275,600
Total	$ 1,215,000	$ 149,600	$ 1,364,600

General Obligation Bonds, Series 2012

$8,030,000 Series 2012 General Obligation Bonds dated December 20, 2012 due March 1, 2025; interest of 1.00% to 2.50% (principal and interest to be serviced by annual tax levy) to refund Series 2004A general obligation bonds which were used for various capital projects.

NOTE 8 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

General Obligation Bonds, Series 2012 (Continued)

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 655,000	$ 90,822	$ 745,822
2021	670,000	76,744	746,744
2022	695,000	61,806	756,806
2023	710,000	45,556	755,556
2024	730,000	28,000	758,000
2025	755,000	9,438	764,438
Total	$ 4,215,000	$ 312,366	$ 4,527,366

General Obligation Bonds, Series 2013

$17,220,000 Series 2013 General Obligation Bonds dated January 24, 2013 due March 1, 2025; interest of 2.00% to 5.00% (principal and interest to be serviced by annual tax levy) to refund Series 2004B general obligation bonds which were used to refund the 2000 and 1985 general obligation bonds used in the construction of the water treatment facility.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 1,390,000	$ 431,100	$ 1,821,100
2021	1,465,000	362,425	1,827,425
2022	1,540,000	290,000	1,830,000
2023	1,625,000	210,875	1,835,875
2024	1,705,000	129,875	1,834,875
2025	1,790,000	44,750	1,834,750
Total	$ 9,515,000	$ 1,469,025	$ 10,984,025

General Obligation Bonds, Series 2014

$24,055,000 Series 2014 General Obligation Bonds dated April 8, 2014 due March 1, 2034; interest of 3.00% to 5.00% (principal and interest to be serviced by annual tax levy) to finance phase 1 of six (6) year $90.4m project to dredge Lake Decatur basins 1-4.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 955,000	$ 897,337	$ 1,852,337
2021	995,000	858,337	1,853,337
2022	1,035,000	817,738	1,852,738
2023	1,075,000	770,163	1,845,163
2024	1,130,000	715,038	1,845,038
2025-2029	6,510,000	2,702,169	9,212,169
2030-2034	8,125,000	1,048,575	9,173,575
Total	$ 19,825,000	$ 7,809,357	$ 27,634,357

NOTE 8 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

General Obligation Bonds, Series 2015

$23,305,000 Series 2015 General Obligation Bonds dated September 3, 2015 due March 1, 2035; interest of 2.00% to 5.00% (principal and interest to be serviced by annual tax levy) to finance phase 2 of six (6) year $90.4m project to dredge Lake Decatur basins 1-4.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 900,000	$ 839,375	$ 1,739,375
2021	935,000	802,675	1,737,675
2022	970,000	769,425	1,739,425
2023	995,000	739,950	1,734,950
2024	1,030,000	709,575	1,739,575
2025-2029	5,930,000	2,758,875	8,688,875
2030-2034	7,535,000	1,155,325	8,690,325
2035	1,700,000	35,063	1,735,063
Total	$ 19,995,000	$ 7,810,263	$ 27,805,263

General Obligation Bonds, Series 2016

$22,200,000 Series 2016 General Obligation Bonds dated November 9, 2016 due March 1, 2036; interest of 3.00% to 5.00% (principal and interest to be serviced by annual tax levy) to finance phase 3 of six (6) year project to dredge Lake Decatur basins 1-4.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 815,000	$ 907,056	$ 1,722,056
2021	850,000	869,507	1,719,507
2022	890,000	826,006	1,716,006
2023	935,000	780,381	1,715,381
2024	985,000	732,381	1,717,381
2025-2029	5,705,000	2,866,206	8,571,206
2030-2034	6,970,000	1,585,816	8,555,816
2035-2036	3,270,000	140,375	3,410,375
Total	$ 20,420,000	$ 8,707,728	$ 29,127,728

NOTE 8 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

General Obligation Bonds, Series 2017

$6,275,000 Series 2017 General Obligation Bonds dated December 21, 2017 due December 15, 2024; interest of 3.00% to 4.00% (principal and interest to be serviced by annual tax levy) to refund Series 2008 general obligation bonds which refinanced certain outstanding indebtedness that financed capital improvements in the City.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 950,000	$ 178,000	$ 1,128,000
2021	995,000	140,000	1,135,000
2022	1,045,000	100,200	1,145,200
2023	1,095,000	58,400	1,153,400
2024	365,000	14,600	379,600
Total	$ 4,450,000	$ 491,200	$ 4,941,200

General Obligation Bonds, Series 2018

$25,810,000 Series 2018 General Obligation Bonds dated July 17, 2018 due March 1, 2038; interest of 4.00% to 5.00% (principal and interest to be serviced by annual tax levy) to finance phase 4 (final phase) of six (6) year $90.4 million project to dredge Lake Decatur basins 1-4, finance construction of new fire stations, and to refinance certain outstanding indebtedness of the City (2016 Busey Bank Fire Facility Rehabilitation Note). As of December 31, 2019, approximately $6,714,304 of the proceeds remains unexpended.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 845,000	$ 1,208,100	$ 2,053,100
2021	875,000	1,173,700	2,048,700
2022	905,000	1,138,100	2,043,100
2023	945,000	1,096,375	2,041,375
2024	1,000,000	1,047,750	2,047,750
2025-2029	5,770,000	4,419,750	10,189,750
2030-2034	7,360,000	2,787,750	10,147,750
2035-2038	7,325,000	754,625	8,079,625
Total	$ 25,025,000	$ 13,626,150	$ 38,651,150

NOTE 8 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

General Obligation Bonds, Series 2019

$6,720,000 Series 2019 General Obligation Bonds dated August 7, 2019 due December 15, 2030; interest of 2.30% to 3.05% (principal and interest to be serviced by annual tax levy) to partially refund Series 2010A general obligation bonds which refinanced certain outstanding indebtedness that financed capital improvements in the City.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 105,000	$ 171,480	$ 276,480
2021	655,000	169,033	824,033
2022	675,000	153,968	828,968
2023	900,000	138,274	1,038,274
2024	915,000	116,629	1,031,629
2025-2029	2,935,000	290,310	3,225,310
2030	420,000	12,810	432,810
Total	$ 6,605,000	$ 1,052,504	$ 7,657,504

General Obligation Bonds, Series 2019B

$2,300,000 Series 2019B General Obligation Bonds dated December 10, 2019 due December 15, 2034; interest of 2.31% (principal and interest to be serviced by annual tax levy) to finance capital improvements to the library parking lot and air handling system and to refund the lease of police radios and ancillary equipment. As of December 31, 2019, approximately $591,850 of the proceeds remains unexpended.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 200,000	$ 53,868	$ 253,868
2021	200,000	48,510	248,510
2022	200,000	43,890	243,890
2023	200,000	39,270	239,270
2024	200,000	34,650	234,650
2025-2029	615,000	122,546	737,546
2030-2034	685,000	48,278	733,278
Total	$ 2,300,000	$ 391,012	$ 2,691,012

Notes Payable

U.S. Department of Housing and Urban Development Series 2002-A Certificates

$3,000,000 Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974 (Note B-95-MC-17-0008-A) due August 1, 2022; interest of 2.99% to 6.12%.This note was refunded through the issuance of Series 2019 Certificates.

NOTE 8 LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Illinois Environmental Protection Agency 2001 Loan

$7,172,169 loan with the Illinois Environmental Protection Agency (IEPA) to finance the costs relating to the construction of the Nitrate Removal facility. The term of the loan is for 20 years with an annual fixed loan rate of 2.905%. The semi-annual repayment dates for both principal and interest are June 1 and December 1.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 457,203	$ 27,155	$ 484,358
2021	470,581	13,777	484,358
2022	120,461	1,751	122,212
Total	$ 1,048,245	$ 42,683	$ 1,090,928

Illinois Environmental Protection Agency Water Loan

$9,444,709 loan with the Illinois Environmental Protection Agency (IEPA), of which $2,451,381 was forgivable for net debt of $6,993,328, to finance the costs relating to the construction of a new water main, water tower, and booster pump station. The term of the loan is for 20 years with a fixed rate of 0.00%. The semi-annual repayment dates are July 10 and January 10.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 361,681	$ -	$ 361,681
2021	361,681	-	361,681
2022	361,681	-	361,681
2023	361,681	-	361,681
2024	361,681	-	361,681
2025-2029	1,808,403	-	1,808,403
2030-2031	723,359	-	723,359
Total	$ 4,340,167	$ -	$ 4,340,167

Illinois Environmental Protection Agency Sewer Loan - 2013

$8,353,821 loan with the Illinois Environmental Protection Agency (IEPA), of which $764,148 was forgivable for net debt of $7,589,673, to finance the costs related to the rehabilitation of certain main line sewer infrastructure. The term of the loan is for 20 years with a fixed interest rate of 1.93%. The semi-annual repayment dates are June 15 and December 15.

NOTE 8 LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Illinois Environmental Protection Agency Sewer Loan – 2013 (Continued)

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 346,286	$ 113,410	$ 459,696
2021	353,002	106,694	459,696
2022	359,848	99,848	459,696
2023	366,826	92,869	459,695
2024	373,940	85,755	459,695
2025-2029	1,981,332	317,145	2,298,477
2030-2034	2,181,052	117,429	2,298,481
Total	$ 5,962,286	$ 933,150	$ 6,895,436

Regions Capital Advantage Promissory Note Series 2013

$17,212,394 loan with Regions Capital Advantage, Inc., dated August 15, 2013, to finance the investment in certain energy and cost saving initiatives under a Johnson Controls, Inc., guaranteed energy savings contract. The term of the loan is 15 years with a fixed interest rate of 3.47% and includes a final principal balloon payment of $2,468,710. Quarterly repayment dates for principal and interest are February 15, May 15, August 15, and November 15.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 974,201	$ 452,799	$ 1,427,000
2021	1,049,222	418,028	1,467,250
2022	1,127,893	380,607	1,508,500
2023	1,210,343	340,407	1,550,750
2024	1,296,704	297,296	1,594,000
2025-2028	7,749,365	677,060	8,426,425
Total	$ 13,407,728	$ 2,566,197	$ 15,973,925

Subsequent to year end, the City committed to refinancing this loan, to occur on July 15, 2020, with a new par value of $13,417,000 and a fixed rate of 1.95%, with a maturity date of August 15, 2028.

Busey Bank – 2014

$1,500,000 loan with Busey Bank dated March 4, 2014, to finance the costs related to the outfitting of the City of Decatur Police Headquarter Facility. The term of the loan is 5 years at a fixed interest rate of 2.0% with quarterly principal and interest payments due at March 4, June 4, September 4, and December 4 of each year. This loan matured on June 4, 2019.

NOTE 8 LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Illinois Environmental Protection Agency Sewer Loan - 2014

$2,447,218 loan with the Illinois Environmental Protection Agency (IEPA), of which $275,000 was immediately forgivable, to finance the costs related to the rehabilitation of certain main line sewer infrastructure. The term of the loan is 20 years for a fixed interest rate of 1.995%. The semi-annual repayment dates are January 8 and July 8.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 97,073	$ 35,629	$ 132,702
2021	99,019	33,683	132,702
2022	101,005	31,697	132,702
2023	103,030	29,672	132,702
2024	105,095	27,607	132,702
2025-2029	557,941	105,569	663,510
2030-2034	616,162	47,349	663,511
2035	130,743	1,958	132,701
Total	$ 1,810,068	$ 313,164	$ 2,123,232

Soy Capital Bank & Trust - 2014

$1,000,000 loan with Soy Capital Bank & Trust dated September 30, 2014, to finance the costs related to the acquisition of public works radio communications system. The term of the loan is 7 years at a fixed interest rate of 2.8%. The annual repayment dates are January 5.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 148,462	$ 12,538	$ 161,000
2021	152,692	8,308	161,000
2022	139,692	3,432	143,124
Total	$ 440,846	$ 24,278	$ 465,124

Busey Bank Fire Apparatus Pierce Impel Pumper 2015 Loan

$439,940 loan with Busey Bank dated May 4, 2015, to finance the costs related to the acquisition of Fire Apparatus Pierce Impel Pumper. The term of the loan is for 7 years with a fixed interest rate of 2.3%. The annual repayment dates are May 4.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 64,228	$ 4,534	$ 68,762
2021	65,705	3,057	68,762
2022	67,215	1,547	68,762
Total	$ 197,148	$ 9,138	$ 206,286

NOTE 8 LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Busey Bank Local Road and Street Resurfacing - 2016

The City has authorized the issuance of a loan with Busey Bank for a maximum of $7,500,000 to finance the costs related to resurfacing of local roads and streets within the City on August 18, 2016. The City has drawn down $7,232,692 as of December 31, 2019. The term of the loan is 7 years for a fixed interest rate of 2.85% with semi-annual principal and interest payments due February 15 and August 15 in the amount of $535,714, with a fixed interest rate of 2.85%.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 1,071,429	$ 116,460	$ 1,187,889
2021	1,071,429	85,203	1,156,632
2022	1,071,429	54,243	1,125,672
2023	1,071,425	23,286	1,094,711
Total	$ 4,285,712	$ 279,192	$ 4,564,904

Illinois Environmental Protection Agency Sewer Loan - 2016

$8,540,319 loan with the Illinois Environmental Protection Agency (IEPA) to finance the costs related to the rehabilitation of certain main line sewer infrastructure. The term of the loan is 20 years for a fixed interest rate of 1.75%. The semi-annual repayment dates are scheduled to be March 17 and September 17.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 369,719	$ 138,402	$ 508,121
2021	376,217	131,903	508,120
2022	382,830	125,291	508,121
2023	389,558	118,562	508,120
2024	396,406	111,715	508,121
2025-2029	2,089,021	451,581	2,540,602
2030-2034	2,279,179	261,424	2,540,603
2035-2038	1,717,776	60,645	1,778,421
Total	$ 8,000,706	$ 1,399,523	$ 9,400,229

Busey Bank Police Interceptor Vehicles - 2017

$460,011 loan with Busey Bank dated July 28, 2017, to finance the costs related to the acquisition of Police Patrol Vehicles. The term of the loan is 2 years at a fixed interest rate of 1.99% with quarterly principal and interest payments due at January 28, April 28, July 28, and October 28 of each year. This loan matured on July 28, 2019.

NOTE 8 LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Busey Bank Public Works Heavy Equipment - 2017

$180,624 loan with Busey Bank dated August 18, 2017, to finance the costs related to acquisition of Public Works Heavy Equipment. The term of the loan is 5 years at a fixed interest rate of 3.25% with quarterly principal and interest payments due February 18, May 18, August 18, and November 18 of each year with a maturity date of August 18, 2022.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 36,380	$ 2,906	$ 39,286
2021	37,577	1,709	39,286
2022	28,992	472	29,464
Total	$ 102,949	$ 5,087	$ 108,036

Illinois Environmental Protection Agency Storm Sewer Loan - 2017

$4,012,487 loan with the Illinois Environmental Protection Agency (IEPA) to finance the costs related to the rehabilitation and separation of certain storm sewer infrastructure Sewer construction remains in process. The City has drawn down $3,545,302 as of December 31, 2019. The term of the loan is 20 years for a fixed interest rate of 1.75%. The semi-annual repayment dates are scheduled to be May 21 and November 21.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 159,576	$ 59,737	$ 219,313
2021	162,381	56,932	219,313
2022	165,235	54,078	219,313
2023	168,140	51,173	219,313
2024	171,095	48,218	219,313
2025-2029	901,655	194,910	1,096,565
2030-2034	983,730	112,835	1,096,565
2035-2036	741,418	26,174	767,592
Total	$ 3,453,230	$ 604,057	$ 4,057,287

Busey Bank Police Interceptor Vehicles - 2019

$261,460 loan with Busey Bank dated April 17, 2019, to finance the costs related to the acquisition of Police Patrol Vehicles. The term of the loan is 2 years at a fixed interest rate of 1.50% with quarterly principal and interest payments due at January 15, April 15, July 15, and October 15 of each year with a maturity date of April 15, 2021.

NOTE 8 LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Busey Bank Police Interceptor Vehicles – 2019 (Continued)

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 130,715	$ 4,450	$ 135,165
2021	66,833	750	67,583
Total	$ 197,548	$ 5,200	$ 202,748

U.S. Department of Housing and Urban Development Series 2019 Certificates

$810,000 Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974 (Note B-95-MC-17-0008-A) due August 1, 2022; interest of 1.74% to 2.56%.

Fiscal Year	Principal	Interest	Total Debt Service
2020	$ 200,000	$ 15,717	$ 215,717
2021	205,000	10,617	215,617
2022	210,000	5,349	215,349
Total	$ 615,000	$ 31,683	$ 646,683

Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned compensated absences for unused vacation time, sick time and holiday time which will be paid to employees upon separation from City service. In Governmental Fund Types, the cost of these benefits is recognized when payments are made to employees. Enterprise Fund Types accrue vacation time benefits in the period in which they are earned. A liability representing the City's commitment to fund such costs from future operations has been recorded in the Statement of Net Position in the amount of $6,770,421 for Governmental Activities and $579,338 for Business Activities. The Governmental Activities costs are substantially paid through the General Fund and the Library Fund.

Conduit Debt

The City, through its participation in an intergovernmental agreement with several Illinois municipalities, has issued Collateralized Single Family Mortgage Revenue Bonds to provide financial assistance to low and moderate income residents for the purchase of single family residences. The bonds are secured by property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired property transfers to the resident. Therefore, none of the participating municipalities are obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as a liability in the accompanying financial statements. The original amount of the issuance was $250,000,000.

NOTE 8 LONG-TERM DEBT (CONTINUED)

Conduit Debt (Continued)

In 1996, the City issued City of Decatur, Macon County, Illinois Hospital Facility Revenue Bonds, Series 2010A, B, C, and D on behalf of Decatur Memorial Hospital. The proceeds were used by Decatur Memorial Hospital to finance certain facility improvements. Subsequent refunding of the original debt issue occurred in 2010, 2012 and 2014. The original amount of the debt issue was $30,500,000. The maturity date of the Bonds is December 22, 2020. The Bonds are limited obligations of the City, payable solely from payments made by Decatur Memorial Hospital under its Direct Note Obligations, payments from the Decatur Memorial Hospital under a Loan Agreement and certain other monies held by a trustee under a trust indenture for holders of the Bonds. The Bonds do not pledge the full faith and credit of the City and the issuance of the Bonds does not directly, indirectly, or contingently obligate the City to levy any form of taxation for the payment of the Bonds or to make any appropriation for their payment. Outstanding principal on the Bonds as of December 31, 2019 is $1,836,000.

NOTE 9 PENSION PLANS

The City contributes to three defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighter's Pension Plan, which is also a single-employer pension plan. None of the pension plans issue a separate report except for IMRF.

IMRF

Plan Description

The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multiemployer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP), which is the only plan the City participates in. IMRF also offers the Sheriff's Law Enforcement Personnel (SLEP) plan for sheriffs, deputy sheriffs, and selected police chiefs, as well as Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

NOTE 9 PENSION PLANS (CONTINUED)

IMRF (Continued)

Benefits Provided (Continued)

All three IMRF benefit plans have two tiers. Employees hired ***before*** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2019, the following employees were covered by the benefit terms:

Retirees and Beneficiaries Currently Receiving Benefits	396
Inactive Plan Members Entitled to but not yet Receiving Benefits	128
Active Plan Members	214
Total	738

Contributions

As set by statute, the City's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City annual contribution rate for calendar year 2018 was 12.01% and for 2019 was 9.97%. For the fiscal year ended December 31, 2019, the City contributed $1,357,171 to the plan.

NOTE 9 PENSION PLANS (CONTINUED)

IMRF (Continued)

Contributions (Continued)

The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The City's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at **December 31, 2018**:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.39% to 14.25%.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.

- The IMRF-specific rates for **Mortality** (for nondisabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.

- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for nondisabled lives.

- For **Nondisabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.

- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

NOTE 9 PENSION PLANS (CONTINUED)

IMRF (Continued)

Actuarial Assumptions (Continued)

- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	7.15%
International Equity	18	7.25%
Fixed Income	28	3.75%
Real Estate	9	6.25%
Alternative Investments	7	3.20 - 8.50%
Cash Equivalents	1	2.50%
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

3. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

NOTE 9 PENSION PLANS (CONTINUED)

IMRF (Continued)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2018	$ 104,987,934	$ 103,097,801	$ 1,890,133
Changes for the Year:			
Service Cost	1,389,375	-	1,389,375
Interest on the Total Pension Liability	7,691,811	-	7,691,811
Differences Between Expected and Actual Experience of the Total Pension Liability	(1,239,634)	-	(1,239,634)
Changes of Assumptions	2,713,356	-	2,713,356
Contributions - Employer	-	1,503,344	(1,503,344)
Contributions - Employees	-	626,199	(626,199)
Net Investment Income	-	(4,447,060)	4,447,060
Benefit Payments, Including Refunds of Employee Contributions	(6,291,267)	(6,291,267)	-
Other	-	(86,552)	86,552
Net Changes	4,263,641	(8,695,336)	12,958,977
Balances at December 31, 2019	$ 109,251,575	$ 94,402,465	$ 14,849,110

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	$ 27,025,950	$ 14,849,110	$ 4,697,727

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2019, the City recognized pension expense of $2,701,169. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 9 PENSION PLANS (CONTINUED)

IMRF (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued)

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences Between Expected and Actual	$ 718,405	$ 883,565
Changes of Assumptions	1,847,520	1,190,410
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	6,004,534	-
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	8,570,459	2,073,975
Pension Contributions Made Subsequent to the Measurement Date	1,357,170	-
Total Deferred Amounts Related to Pensions	$ 9,927,629	$ 2,073,975

The net amount reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) in future periods as follows:

Year Ending December 31,	Net Deferred Outflows of Resources
2020	$ 2,001,903
2021	1,213,898
2022	867,015
2023	2,413,668
Total	$ 6,496,484

NOTE 9 PENSION PLANS (CONTINUED)

Defined Benefit Single-Employer Pension Plans

The City has two (2) defined benefit single-employer pension plans: Police and Fire Pension Plans. The plans do not issue stand-alone financial reports and are not included in any other retirement systems or entities financial report. The City accounts for both plans as pension trusts funds; therefore, they are accounted for in substantially the same manner as proprietary funds, with an economic resources measurement focus and employment of the accrual basis of accounting. Plan member contributions, employer contributions and contributions from other entities are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

For financial statement purposes, plan assets are valued at fair value of the Police and Fire Plans, as reported within the annual trustee statements. The plans do not issue stand-alone GAAP financial reports. Therefore, the individual financial reports are presented for each of the plans in this section.

	Pension Trust Funds		
	Police Pension Fund	Fire Pension Fund	Total
ASSETS			
Cash and Short-Term Investments	$ 3,052,817	$ 6,240,621	$ 9,293,438
Accrued Interest	239,382	152,239	391,621
Long-Term Investments, at Fair Value:			
U.S. Government Obligations	24,817,436	12,860,248	37,677,684
Mutual Funds	53,099,386	45,611,000	98,710,386
Common Stock	21,436,484	8,779,512	30,215,996
Annuities	-	150,758	150,758
Municipal Bonds	1,426,441	1,311,810	2,738,251
Corporate Bonds	13,510,118	10,297,984	23,808,102
Total Long-Term Investments	114,289,865	79,011,312	193,301,177
Total Assets	$ 117,582,064	$ 85,404,172	$ 202,986,236
LIABILITIES AND NET POSITION			
Accounts Payable	$ 55,061	$ 6,280	$ 61,341
NET POSITION			
Held in Trust for Pension Benefits	117,527,003	85,397,892	202,924,895
Total Liabilities and Net Position	$ 117,582,064	$ 85,404,172	$ 202,986,236

NOTE 9 PENSION PLANS (CONTINUED)

Defined Benefit Single-Employer Pension Plans (Continued)

	Police Pension Fund	Fire Pension Fund	Total
ADDITIONS			
Contributions:			
Employer	$ 4,990,829	$ 5,632,583	$ 10,623,412
Plan Member	1,271,107	884,903	2,156,010
Miscellaneous Revenue	615	2,464	3,079
Total Contributions	6,262,551	6,519,950	12,782,501
Investment Earnings:			
Interest and Dividends	1,207,763	710,611	1,918,374
Net Decrease in the Fair Value of Investments	17,706,137	12,253,659	29,959,796
Total Investment Income	18,913,900	12,964,270	31,878,170
Less: Investment Expense	273,536	170,253	443,789
Net Investment Income	18,640,364	12,794,017	31,434,381
Total Additions	24,902,915	19,313,967	44,216,882
DEDUCTIONS			
Benefits and Refunds	8,413,716	8,140,695	16,554,411
Administrative Expense	106,538	75,704	182,242
Total Deductions	8,520,254	8,216,399	16,736,653
CHANGE IN NET POSITION	16,382,661	11,097,568	27,480,229
Net Position - Beginning of Year	101,144,342	74,300,324	175,444,666
NET POSITION - END OF YEAR	$ 117,527,003	$ 85,397,892	$ 202,924,895

In addition to other disclosures, the GASB requires a schedule of changes in the net pension liability and related ratios; a schedule of contributions; and a schedule of investment returns that include historical trend information. These schedules are included as required supplementary information to the financial statements.

NOTE 9 PENSION PLANS (CONTINUED)

Police Pension Plan

Plan Description

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The plan is administered by a Board of Trustees which acts as the administrator of the plan.

The Board for the Police Pension Plan consists of five Trustees, two of whom are appointed by the Mayor, two of whom are members of the system who are elected by a majority of the Police Officers who are members of the system, and a fifth trustee who is elected by and from the beneficiaries of legal age of the fund. Each Trustee serves a two-year term. Under Article 3 of the Illinois Pension Code, a Police Officer may become a Participant in the Plan upon written application within the first six months of his appointment as a sworn Police Officer.

At December 31, 2019, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	194
Current Employees:	
Vested and Nonvested	140
Total	334

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years. Employees with at least 8 years but less than 20 years of credited service may retire at or after the age of 60 and receive a reduced benefit.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs are financed through investment earnings.

NOTE 9 PENSION PLANS (CONTINUED)

Police Pension Plan (Continued)

Plan Description (Continued)

Under Public Act 96-1495, the annual requirements of the pension fund are to be determined as a level percent of payroll sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities by the year 2040.

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of December 31, 2019 are as follows:

Total Pension Liability	$ 169,355,809
Plan Fiduciary Net Position	117,527,003
Net Pension Liability	$ 51,828,806
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.40%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2019 using the following actuarial assumptions applied to all measurement periods:

Valuation Date	January 1, 2019
Measurement Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal
Inflation	2.5%
Projected Salary Increases	3.5%
Investment Rate of Return	7.5%
Mortality Rate	RP 2000 Mortality Table with Blue Collar Adjustment Projected to 2019

Each Board of Trustees (Board) is responsible for administering the investment policies of the Plans and providing oversight for the management of the plans' assets. The investment strategy of each plan is to emphasize total return (defined as the aggregate return from capital appreciation and dividend and interest income). The investment policy for each plan requires that all plan assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Plan, with minimal impact on market price.

NOTE 9 PENSION PLANS (CONTINUED)

Police Pension Plan (Continued)

Net Pension Liability (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rate of return for each major asset class included in the pension plans' target asset allocations as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2%	.39%
Core Fixed Income	34%	2.26%
Broad U.S. Equities	64%	3.81%

Discount Rate

The discount rate used to measure the total pension liability was 7.50% for Police Pension. The projection of cash flow used to determine the discount rate assumed that the funding policy is to amortize the unfunded liability over 22 years from January 1, 2019. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Pension Plan calculated using the discount rates listed above, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

	1% Decrease	Current Rate	1% Increase
Discount Rate	6.50%	7.50%	8.50%
Net Pension Liability	$75,220,157	$51,828,806	$32,676,881

NOTE 9 PENSION PLANS (CONTINUED)

Police Pension Plan (Continued)

Net Pension Liability (Continued)

The following presents the changes in City's net pension liability for the Police Pension Plan:

Total Pension Liability	
Service Cost	$ 2,221,427
Interest	12,114,330
Effect of Economic/Geographic Gains or Losses	-
Benefit Payments	(8,413,716)
Net Change in Total Pension Liability	5,922,041
Total Pension Liability - Beginning	163,433,768
Total Pension Liability - Ending (A)	$ 169,355,809
Plan Fiduciary Net Position	
Contributions - Employer	$ 4,990,829
Contributions - Employee	1,271,107
Net Investment Income	18,629,998
Benefit Payments	(8,413,716)
Administrative Expense	(95,556)
Net Change in Plan Fiduciary Net Position	16,382,662
Plan Fiduciary Net Position - Beginning	101,144,341
Plan Fiduciary Net Position - Ending (B)	$ 117,527,003
Net Pension Liability (A) - (B)	$ 51,828,806
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.40%
Covered Payroll	$ 12,800,130
Net Pension Liability as a Percentage of Covered Payroll	404.91%

NOTE 9 PENSION PLANS (CONTINUED)

Police Pension Plan (Continued)

Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions

For the year ended December 31, 2019, the City will recognize a pension expense of $6,159,240. On December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 1,236,696	$ 1,197,001
Net Difference Between Projected and Actual Earnings	-	3,238,194
Total Deferred Amounts Related to Pensions	$ 1,236,696	$ 4,435,195

The net amount reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) in future periods as follows:

Year Ending December 31,	Net Deferred Inflows of Resources
2020	$ (671,472)
2021	(403,560)
2022	272,915
2023	(2,396,382)
2024	-
Thereafter	-
Total	$ (3,198,499)

Fire Pension Plan

Plan Description

The Fire Pension Plan is a single-employer defined benefit pension plan that covers all sworn fire personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The plan is administered by a Board of Trustees which acts as the administrator of the plan.

The Board for the Fire Pension Plan consists of five Trustees, two of whom are appointed by the Mayor, two of whom are members of the system who are elected by a majority of the Firefighters who are members of the system, and a fifth trustee who is elected by and from the retired/disabled members of the fund. Each Trustee serves a three-year term. Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his or her employment.

NOTE 9 PENSION PLANS (CONTINUED)

Fire Pension Plan (Continued)

Plan Description (Continued)

All Firefighters are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

At December 31, 2019, the Fire Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	105
Current Employees:	
Vested and Nonvested	133
Total	238

The Fire Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held on the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

Covered employees are required to contribute 9.45% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs are financed through investment earnings.

Under Public Act 96-1495, the annual requirements of the pension fund are to be determined as a level percent of payroll sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities by the year 2040.

Net Pension Liability

The components of the net pension liability of the Fire Pension Plan as of December 31, 2019 are as follows:

Total Pension Liability	$ 151,141,344
Plan Fiduciary Net Position	85,397,892
Net Pension Liability	$ 65,743,452
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.50%

NOTE 9 PENSION PLANS (CONTINUED)

Fire Pension Plan (Continued)

Net Pension Liability (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2019 using the following actuarial assumptions applied to all measurement periods:

Valuation Date	January 1, 2019
Measurement Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal
Inflation	2.5%
Projected Salary Increases	3.5%
Investment Rate of Return	7.0%
Mortality Rate	RP 2000 Mortality Table with Blue Collar Adjustment Projected to 2019

Each Board of Trustees (Board) is responsible for administering the investment policies of the Plans and providing oversight for the management of the Plans' assets. The investment strategy of each Plan is to emphasize total return (defined as the aggregate return from capital appreciation and dividend and interest income). The investment policy for each plan requires that all Plan assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Plan, with minimal impact on market price.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rate of return for each major asset class included in the pension plans' target asset allocations as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	7%	.39%
Core Fixed Income	30%	2.26%
Broad U.S. Equities	63%	3.81%

NOTE 9 PENSION PLANS (CONTINUED)

Fire Pension Plan (Continued)

Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.0% for Fire Pension. The projection of cash flow used to determine the discount rate assumed that the funding policy is to amortize the unfunded liability over 22 years from January 1, 2019 Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Pension Plan calculated using the discount rates listed above, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

	1% Decrease	Current Rate	1% Increase
Discount Rate	6.0%	7.0%	8.0%
Net Pension Liability	$84,699,162	$65,743,452	$50,037,508

NOTE 9 PENSION PLANS (CONTINUED)

Fire Pension Plan (Continued)

Net Pension Liability (Continued)

The following presents the changes in City's net pension liability for Fire Pension Plan:

Total Pension Liability	
Service Cost	$ 2,153,501
Interest	10,158,825
Effect of Economic/Demographic Gain (Loss)	-
Benefit Payments	(8,149,267)
Net Change in Total Pension Liability	4,163,059
Total Pension Liability - Beginning	146,978,285
Total Pension Liability - Ending (A)	$ 151,141,344
Plan Fiduciary Net Position	
Contributions - Employer	$ 5,632,583
Contributions - Employee	885,836
Net Investment Income	12,796,416
Benefit Payments	(8,149,267)
Administrative Expense	(68,000)
Net Change in Plan Fiduciary Net Position	11,097,568
Plan Fiduciary Net Position - Beginning	74,300,324
Plan Fiduciary Net Position - Ending (B)	$ 85,397,892
Net Pension Liability (A) - (B)	$ 65,743,452
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.50%
Covered Payroll	$ 8,712,059
Net Pension Liability as a Percentage of Covered Payroll	754.63%

Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions

For the year ended December 31, 2019, the City will recognize a pension expense of $6,655,984. On December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 496,189	$ 494,608
Net Difference Between Projected and Actual Earnings	-	2,061,720
Total Deferred Amounts Related to Pensions	$ 496,189	$ 2,556,328

NOTE 9 PENSION PLANS (CONTINUED)

Fire Pension Plan (Continued)

Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions (Continued)

The net amount reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) in future periods as follows:

Year Ending December 31,	Net Deferred Inflows of Resources
2020	$ (601,645)
2021	(394,215)
2022	450,486
2023	(1,514,765)
2024	-
Total	$ (2,060,139)

Pension Summary

For the year ended December 31, 2019, aggregate data for the City's three pension plans is summarized by the following table.

	IMRF	Police Pension	Fire Pension	Total
Net Pension Liability	$ 14,849,110	$ 51,828,806	$ 65,743,452	$ 132,421,368
Deferred Outflows of Resources	9,927,629	1,236,696	496,189	11,660,514
Deferred Inflows of Resources	2,073,975	4,435,195	2,556,328	9,065,498
Pension Expense	2,701,169	6,159,240	6,655,984	15,516,393

NOTE 10 CONTINGENT LIABILITIES

The City participates in a number of federally assisted grant programs, principal of which are the Community Development Block Grant, HOME, Highway Planning, and Federal Transit Administration programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for and including the year ended December 31, 2019, have not yet been conducted. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be insignificant.

NOTE 10 CONTINGENT LIABILITIES (CONTINUED)

During 2019, the City divested its ownership interest of an industrial center, where a potential environmental liability existed from the activities of prior owners of the site. A No Further Remediation (NFR) order was obtained by all previous owners as well as the City (as the then owner) from the Illinois EPA. As part of the divestiture transaction, the buyer agreed to comply with the terms and requirements of the NFR and assume all responsibility and liability, if any. No current claim by any State, Federal, or local agency or other entity or person has been threatened or filed against the City. The City has no reason to believe that any further environmental issues remain. If any risk did exist, no estimate of a liability can be made at this time.

NOTE 11 LITIGATION

There are several lawsuits pending against the City for various reasons. The outcome and eventual liability of the City, if any, in these cases are not known at this time and, accordingly, no specific provisions for these lawsuits are included in the financial statements. However, based upon past experience, management believes that the self-insurance funds and other insurance coverage maintained by the City are sufficient to cover any potential claims.

NOTE 12 COMMITMENTS

The City has the following commitments:

1. As a result of the City's involvement in the construction of the Decatur Civic Center building, the City and the Decatur Metropolitan Exposition Auditorium and Office Building Authority (Authority) entered into an intergovernmental cooperation agreement in 1977, as amended in 1980, which included a negotiated 99-year rent-free lease for office space. The lease terms require the City to pay only utility and maintenance costs based on square footage occupied by the City within the building, which is approximately 40% of the space.

   In applying the accounting standards related to accounting for leases, this lease should be capitalized due to its term and included in long-term debt. However, since these costs represent executory costs and are not quantifiable, the lease has not been capitalized and is classified as an operating lease. Also, since the costs are not quantifiable, the future minimum lease payments are not determinable.

   The City pays an operating subsidy to the Authority at the beginning of each fiscal year, in such amount to fund operations anticipated in the fiscal year. The operating subsidy is adjusted each year by the change in the consumer price index.

NOTE 12 COMMITMENTS (CONTINUED)

2. On September 11, 2013, the City entered into a long-term lease arrangement for space to house the City of Decatur Police Headquarters. Lease payments began upon facility occupancy on June 6, 2014. The lease is for twenty (20) years with option to extend the lease for four (4) additional five (5) year terms, or an additional twenty (20) years. Current year expense was $520,594. Future minimum rental payments are estimated as follows:

Year Ending December 31,	Amount
2020	$ 531,133
2021	531,133
2022	531,133
2023	531,133
2024	546,624
2025-2029	2,804,714
2030-2034	2,586,287
Total	$ 8,062,157

3. On July 8, 2014, the City entered a five (5) year agreement to lease a certain building facility adjacent to the City of Decatur Police Headquarters with the lease commencing on July 1, 2014 and ending July 31, 2019. On September 28, 2018, the City modified the lease agreement for the lease period commencing August 1, 2019 and July 31, 2024, representing early renewal and extension of term, with City ability to extend for an additional five (5) year period in accordance with extension terms of the original lease. Current year expense was $38,864. Future minimum rental payments are estimated as follows:

Year Ending December 31,	Amount
2020	$ 39,360
2021	39,360
2022	39,360
2023	39,360
2024	22,960
Total	$ 180,400

Other Commitments

At December 31, 2019, the City had contractual commitments of approximately $19.2 million for capital improvement programs.

NOTE 13 RISK MANAGEMENT

The City is self-insured for group health medical, unemployment compensation claims, workers' compensation, property and casualty including equipment breakdown, and liability including general, auto, law, public officials, benefit plan, cyber, and crime.

The group health medical program is insured for amounts above the self-insurance retention limits of $200,000 per individual and approximately $10,701,124 in the aggregate by an insurance carrier. Unemployment compensation is funded in full by the City. Other programs are insured for amounts above the self-insurance retention limits of $25,000 - $500,000 by an insurance carrier. There have been no significant reductions in insurance coverage from the prior year. During the past three fiscal years, there have been no settlements that exceeded insurance coverage.

Rates are developed annually to fund the self-insurance programs, including claims and administrative costs, in the self-insurance internal service fund. All funds and departments of the City are charged monthly thereafter based on their loss history and exposure.

The claims liability for group health of $1,121,809 and the nonmedical claims liability of $1,530,531 at December 31, 2019 is based on the requirements of accounting standards related to Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the fund's claims liability account for years ended December 31, 2019 and 2018 were:

	2019	2018
Nonmedical Claims Liability		
Beginning of Fiscal Year Liability	$ 2,303,996	$ 935,015
Current Year Claims and Changes in Estimates	749,006	2,589,382
Claims Payments	(1,522,471)	(1,220,401)
Total	$ 1,530,531	$ 2,303,996
Medical Claims Liability		
Beginning of Fiscal Year Liability	$ 1,092,731	$ 1,175,905
Current Year Claims and Changes in Estimates	7,931,641	8,118,945
Claims Payments	(7,902,563)	(8,202,119)
Total	$ 1,121,809	$ 1,092,731

NOTE 14 RELATED PARTY TRANSACTIONS

The City has an agreement with the Civic Center Authority whereby the City occupies a portion of the Civic Center Building as municipal offices and reimburses the Authority for its portion of occupancy related expenses.

The City is required to maintain the Authority's operating reserve fund at $100,000. The City is required to replenish this fund whenever it falls below $100,000. The Authority has not required this fund to be maintained at $100,000, but reimbursement has been made as Authority cash flow dictates. During 2019, the City contributed $435,357 to the Authority for fiscal 2020.

NOTE 15 FUND EQUITY

The following funds had a deficit net position or deficit fund balance at December 31, 2019:

Capital Projects Fund	$ 1,147,528
Fleet Maintenance Fund	405,991

The above deficits are expected to be eliminated from future revenues and/or transfers.

NOTE 16 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In addition to providing the pension benefits described in Note 9, the City provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (Retiree Healthcare Program) and follows GASB No 75. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the City's governmental and business-type activities.

Benefits Provided

The City provides continued health insurance coverage at the active employee rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the retiree can choose to participate or not participate in the City's plan.

NOTE 16 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Membership

The City's Retiree Healthcare Program includes three employee groups: Fire, Police, and all other City, which are the same as those used for the pension plan.

At January 1, 2018, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	104
Active Employees	491
Total	595
Participating Employers	1

Funding Policy

The City is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

Premium cost sharing arrangements vary depending on the bargaining unit and date of retirement. Qualified retirees pay 100% of the premium cost for single and dependent coverage.

Total OPEB Liability

The City's total OPEB liability was determined for fiscal year ending December 31, 2019, using December 31, 2019 as the measurement date, by an actuarial valuation as of January 1, 2018.

Actuarial Assumptions

The total OPEB liability in the December 31, 2019 (measurement date), actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.75% per Year
Salary	3.5% Including Inflation
Healthcare Cost Trend Rates	Fire: Pre-65; 6.20% - 4.00% over 68 Years Post-65: 7.10% - 4.00% over 75 Years Police: Pre-65: 6.20% - 4.00% over 71 Years Post-65: 7.00% - 4.00% over 75 Years Other City: Pre-65: 6.20% - 4.00% over 63 Years Post-65: 7.00% - 4.00% over 64 Years

NOTE 16 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

Mortality rates for Police and Fire where based on Sex-distinct RP-2000 Combined Mortality Table with Blue Collar Adjustments with projected mortality improvements until valuation date using Scale AA. All other City Employees where based on RP-2000 Combined Annuitant/Non-Annuitant Male and Female Table with White Collar Adjustment and Generational Mortality Projected using Scale BB. Disabled mortality rates for Police and Fire where based on Sex-distinct RP-2000 Disabled Mortality Table with Blue Collar Adjustments with projected mortality improvements until 2017 using Scale AA. All other City Employees: N/A

Discount Rate

User GASB 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the Measurement Date must be based on a yield for 20-year tax-exempt municipal bonds. The discount rate was 2.74% as of December 31, 2019, for accounting disclosure purposes.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability at December 31, 2018	$ 9,014,045
Changes for the Year:	
Service Cost	318,843
Interest	365,180
Changes in Assumptions	1,138,041
Benefit Payments	(860,710)
Net Changes	961,354
Total OPEB Liability at December 31, 2019	$ 9,975,399

Sensitivity of the total OPEB liability to changes in the discount rate.

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.74%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.74%) or 1 percentage point higher (3.74%) than the current rate.

As of December 31, 2019	Total OPEB Liability
1% Decrease (1.74%)	$ 10,984,942
Current Discount Rate (2.74%)	$ 9,975,399
1% Increase (3.74%)	$ 9,116,114

NOTE 16 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.
The following presents the total OPEB liability of the City, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

As of December 31, 2019	Total OPEB Liability
1% Decrease (1.74%)	$ 10,984,942
Current Discount Rate (2.74%)	$ 9,975,399
1% Increase (3.74%)	$ 9,116,114

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the City recognized OPEB expense of $787,287. At December 31, 2019, the City reported deferred inflows of resources related to OPEB from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	$ 965,611	$ 380,411

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Amount
2020	$ 103,264
2021	103,264
2022	103,264
2023	103,264
2024	103,264
Thereafter	68,880
Total	$ 585,200

NOTE 17 CAPITAL LEASES

The City has entered into various lease agreements as lessee for financing of a VOIP telephone system, a fire apparatus, and public works vehicles. All three leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the date of inception. These are included in the long-term debt summary of changes in Note 8. Original cost and accumulated depreciation included in capital assets for these items are as follows:

Assets	Amount
VOIP System	$ 351,560
Pierce Pumper	428,380
Public Works Vehicles	331,508
Less: Accumulated Depreciation	(461,003)
Total	$ 650,445

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2019 were as follows:

	Future Minimum Lease Payments			
	VOIP System	Pierce Pumper	Public Works Vehicles	Total
2020	$ 78,403	$ 77,541	$ 52,805	$ 208,749
2021	78,403	77,541	52,805	208,749
2022	-	77,541	52,805	130,346
2023	-	77,541	52,805	130,346
2024	-	-	52,806	52,806
Minimum Lease Payments	156,806	310,164	264,026	730,996
Less: Amount of Interest	(12,054)	(17,830)	(22,886)	(52,770)
Total	$ 144,752	$ 292,334	$ 241,140	$ 678,226

NOTE 18 TAX ABATEMENTS

Tax abatements, as defined by Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures* (GASB 77), are agreements between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

NOTE 18 TAX ABATEMENTS (CONTINUED)

Enterprise Zone Credits

Enterprise zone credits are available to local businesses under the state Economic Development Opportunity Act of 2016. Under the Act, localities may grant property tax abatements of business" property tax bills for the purpose of attracting or retaining businesses within their jurisdictions and certified by the State of Illinois. The City's estimated net reduced property tax resulting from Enterprise Zone abatement for the year ending December 31, 2019 was $652,560.

Tax Increment Financing Abatements

Illinois's Tax Increment Financing Act enables cities to finance certain redevelopment costs with the revenue generated from (1) payments in lieu of real estate taxes, as measured by the net increase in assessed valuation resulting from redevelopment and (2) a portion of the increase in other local tax revenue associated with new economic activity. When a tax increment financing (TIF) plan is adopted, real estate taxes in the redevelopment are frozen at their current level. By applying the real estate tax rate of all taxing districts having taxing power within the redevelopment area to the increased assessed valuation resulting from redevelopment, a tax "increment" is produced.

The City's estimated net reduced tax revenue resulting from the TIFs for the year ending December 31, 2019 are as follows:

	Sales Tax	Property Tax	Total
219-245 N. Main St Goods Building	$ -	$ 4,100	$ 4,100
Southeast Plaza Phase II Airport Plaza JV	101,653	275,813	377,466
Pines Shopping Center Save-A-Lot	29,925	69,905	99,830
Eastgate Commons Rural King Strip Phase I	212,166	97,369	309,535
Near North TIF Tax Agreement	-	145,504	145,504
Slumberland Store	40,652	-	40,652
Jackson Ford	20,290	12,710	33,000
Harrison Management Group LLC	56,267	-	56,267
Evergreen Hospitality, LLC	65,027	-	65,027
Pace Hospitality, LLC	79,897	-	79,897
Southside TIF	-	38,913	38,913
Grand & Oakland TIF	43,830	124,242	168,072
Liason Home Automation, LLC	6,298	-	6,298
FirsTech, Inc.	-	21,293	21,293
Total	$ 656,005	$ 789,849	$ 1,445,854

III Required Supplementary Information

CITY OF DECATUR, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF EMPLOYER CONTRIBUTIONS – PENSIONS PLANS
(Unaudited)

Last 10 Fiscal Years*

IMRF

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2019	$ 1,271,124	$ 1,357,171	$ (86,047)	$ 12,749,488	10.64%
2018	1,503,344	1,543,344	(40,000)	12,517,436	12.33%
2017	1,737,470	1,788,391	(50,921)	14,160,313	12.63%
2016	1,772,566	1,795,318	(22,752)	13,708,943	13.10%
2015	1,771,905	1,787,566	(15,661)	14,232,171	12.56%
2014	1,695,313	1,633,605	61,708	13,307,066	12.28%

Police Pension Plan

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2019	$ 4,327,396	$ 4,990,829	$ (663,433)	$ 12,800,130	38.99%
2018	4,727,864	4,713,752	14,112	12,800,130	36.83%
2017	4,353,985	4,440,715	(86,730)	12,420,855	35.75%
2016	4,167,919	4,213,121	(45,202)	11,996,768	35.12%
2015	4,026,184	4,229,151	(202,967)	12,391,182	34.13%
2014	4,159,443	4,277,221	(117,778)	12,227,509	34.98%
2013	2,735,709	3,666,579	(930,870)	11,664,930	31.43%

Fire Pension Plan

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2019	$ 5,509,057	$ 5,632,583	$ (123,526)	$ 8,712,059	64.65%
2018	5,348,824	5,611,626	(262,802)	8,712,059	64.41%
2017	5,229,880	5,143,349	86,531	8,732,570	58.90%
2016	4,875,173	5,023,785	(148,612)	8,907,509	56.40%
2015	4,565,589	4,265,438	300,151	8,779,591	48.58%
2014	4,174,530	4,232,824	(58,294)	8,250,783	51.30%
2013	2,774,140	3,806,762	(1,032,622)	8,451,621	45.04%

* Additional years will be added to this schedule annually until 10 years of data is presented.

CITY OF DECATUR, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
(Unaudited)

	2019	2018
TOTAL OPEB LIABILITY		
Service Cost	$ 318,843	$ 350,092
Interest	365,180	330,246
Changes of Assumptions	1,138,041	(518,742)
Benefit Payments	(860,710)	(788,548)
NET CHANGE IN TOTAL OPEB LIABILITY	961,354	(626,952)
Total OPEB Liability - Beginning	9,014,045	9,640,997
TOTAL OPEB LIABILITY - ENDING	$ 9,975,399	$ 9,014,045
COVERED PAYROLL	$ 34,261,677	$ 34,029,625
TOTAL OPEB LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	29.1%	26.5%

NOTES TO SCHEDULE

1. Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.
2. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.
3. This schedule will ultimately present ten years of information when available.

CITY OF DECATUR, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS – POLICE PENSION PLAN
(Unaudited)

The following presents the changes in the City's net pension liability for the Police Pension Plan:

	Calendar Year Ended December 31,					
	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service Cost	$ 2,221,427	$ 2,221,427	$ 2,314,062	$ 2,329,042	$ 2,344,035	$ 2,726,891
Interest	12,114,330	11,666,385	11,187,658	10,858,441	10,868,268	9,571,302
Difference in Expected and Actual Experiences	-	-	-	-	-	57,370
Changes of Assumptions/Methods	-	-	-	-	-	6,068,547
Effect of Liability Gains or Losses	-	(1,881,003)	3,003,408	(1,494,924)	(678,659)	-
Benefit Payments	(8,413,716)	(8,103,204)	(7,523,341)	(7,061,048)	(6,824,723)	(6,102,938)
Net Change in Total Pension Liability	5,922,041	3,903,605	8,981,787	4,631,511	5,708,921	12,321,172
Total Pension Liability – Beginning	163,433,768	159,530,163	150,548,376	145,916,865	140,207,944	127,886,772
Total Pension Liability – Ending (A)	$ 169,355,809	$ 163,433,768	$ 159,530,163	$ 150,548,376	$ 145,916,865	$ 140,207,944
Plan Fiduciary Net Position						
Contributions – Employer	$ 4,990,829	$ 4,713,752	$ 4,440,715	$ 4,213,121	$ 4,229,151	$ 4,277,221
Contributions – Employee	1,271,107	1,364,975	1,173,624	1,251,329	1,240,308	1,186,391
Net Investment Income	18,629,998	(5,799,843)	13,313,242	8,167,736	24,273	5,790,077
Benefit Payments	(8,413,716)	(8,103,204)	(7,523,341)	(7,061,048)	(6,824,723)	(6,102,938)
Administrative Expense	(95,556)	(238,726)	(415,135)	(351,980)	(264,895)	(64,986)
Net Change in Plan Fiduciary Net Position	16,382,662	(8,063,046)	10,989,105	6,219,158	(1,595,886)	5,085,765
Plan Fiduciary Net Position – Beginning	101,144,341	109,207,387	98,218,282	91,999,124	93,595,010	88,509,245
Plan Fiduciary Net Position – Ending (B)	$ 117,527,003	$ 101,144,341	$ 109,207,387	$ 98,218,282	$ 91,999,124	$ 93,595,010
Net Pension Liability (A) – (B)	$ 51,828,806	$ 62,289,427	$ 50,322,776	$ 52,330,094	$ 53,917,741	$ 46,612,934
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.40%	61.89%	68.46%	65.24%	63.05%	66.75%
Covered Payroll	$ 12,800,130	$ 12,800,130	$ 12,420,855	$ 11,996,768	$ 12,391,182	$ 12,227,509
Net Pension Liability as a Percentage of Covered Payroll	405%	487%	405%	436%	435%	381%

Additional years will be added to this schedule annually until 10 years of data is presented.

CITY OF DECATUR, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS – FIREFIGHTER PENSION PLAN
(Unaudited)

The following presents the changes in the City's net pension liability for the Firefighter Pension Plan:

	Calendar Year Ended December 31,					
	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service Cost	$ 2,153,501	$ 2,153,501	$ 2,107,727	$ 2,065,510	$ 2,051,437	$ 2,183,902
Interest	10,158,825	9,675,428	9,630,886	9,334,747	9,344,391	8,357,081
Difference in Expected/Actual Experience	-	-	(1,483,822)	-	-	2,180,908
Changes of Assumptions/Methods	-	-	-	-	-	9,131,603
Effect of Liability Gain or Losses	-	816,311	-	147,773	2,865,795	-
Benefit Payments	(8,149,267)	(7,645,409)	(7,380,562)	(7,339,489)	(7,030,555)	(6,743,544)
Net Change in Total Pension Liability	4,163,059	4,999,831	2,874,229	4,208,541	7,231,068	15,109,950
Total Pension Liability – Beginning	146,978,285	141,978,454	139,104,225	134,895,684	127,664,616	112,554,666
Total Pension Liability – Ending (A)	$ 151,141,344	$ 146,978,285	$ 141,978,454	$ 139,104,225	$ 134,895,684	$ 127,664,616
Plan Fiduciary Net Position						
Contributions – Employer	$ 5,632,583	$ 5,611,626	$ 5,143,349	$ 5,023,785	$ 4,265,438	$ 4,232,824
Contributions – Employee	885,836	905,768	854,500	833,972	847,728	809,470
Net Investment Income	12,796,416	(3,609,255)	8,405,901	4,989,376	460,973	4,671,711
Benefit Payments	(8,149,267)	(7,645,409)	(7,380,562)	(7,339,489)	(7,030,555)	(6,743,544)
Administrative Expense	(68,000)	(81,141)	(214,760)	(319,375)	(264,992)	(252,605)
Net Change in Plan Fiduciary Net Position	11,097,568	(4,818,411)	6,808,428	3,188,269	(1,721,408)	2,717,856
Plan Fiduciary Net Position – Beginning	74,300,324	79,118,735	72,310,307	69,122,038	70,843,446	68,125,590
Plan Fiduciary Net Position – Ending (B)	$ 85,397,892	$ 74,300,324	$ 79,118,735	$ 72,310,307	$ 69,122,038	$ 70,843,446
Net Pension Liability (A) – (B)	$ 65,743,452	$ 72,677,961	$ 62,859,719	$ 66,793,918	$ 65,773,646	$ 56,821,170
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.50%	50.55%	55.73%	51.98%	51.24%	55.49%
Covered Payroll	$ 8,712,059	$ 8,712,059	$ 8,732,570	$ 8,907,509	$ 8,779,591	$ 8,250,783
Net Pension Liability as a Percentage of Covered Payroll	755%	834%	720%	750%	749%	689%

Additional years will be added to this schedule annually until 10 years of data is presented.

CITY OF DECATUR, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF INVESTMENT RETURNS
POLICE AND FIREFIGHTER PENSION PLANS
(Unaudited)

The following presents the annual money-weighted rate of return, net of investment expenses:

Police Pension

Fiscal Year Ended	Rate
2019	18.74%
2018	(5.40%)
2017	13.78%
2016	9.02%
2015	0.02%

Firefighter Pension

Fiscal Year Ended	Rate
2019	17.60%
2018	(4.64%)
2017	11.84%
2016	7.36%
2015	0.57%

Additional years will be added to this schedule until 10 years of data is presented.

CITY OF DECATUR, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT PLAN
(Unaudited)

The following presents the changes in City net pension liability for IMRF:

	2019	2018	2017	2016
Total Pension Liability				
Service Cost	$ 1,389,375	$ 1,476,556	$ 1,558,483	$ 1,484,366
Interest on the Total Pension Liability	7,691,811	7,570,759	7,425,184	7,126,789
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(1,239,634)	1,971,728	(1,363,508)	896,106
Changes of Assumptions	2,713,356	(3,240,295)	(338,253)	225,465
Benefit Payments	(6,291,267)	(5,968,010)	(5,429,754)	(5,622,411)
Net Change in Total Pension Liability	4,263,641	1,810,738	1,852,152	4,110,315
Total Pension Liability – Beginning	104,987,934	103,177,196	101,325,044	97,214,729
Total Pension Liability – Ending (A)	$ 109,251,575	$ 104,987,934	$ 103,177,196	$ 101,325,044
Plan Fiduciary Net Position				
Contributions – Employer	$ 1,503,344	$ 1,788,392	$ 1,795,318	$ 1,787,566
Contributions – Employees	626,199	665,845	665,417	717,309
Net Investment Income	(4,447,060)	14,727,616	6,686,921	753,618
Benefit Payments	(6,291,267)	(5,968,010)	(5,429,754)	(5,622,441)
Other (Net Transfer)	(86,552)	(79,418)	(93,500)	(106,040)
Net Change in Plan Fiduciary Net Position	(8,695,336)	11,134,425	3,624,402	(2,469,988)
Plan Fiduciary Net Position – Beginning	103,097,801	91,963,376	88,338,974	90,808,962
Plan Fiduciary Net Position – Ending (B)	$ 94,402,465	$ 103,097,801	$ 91,963,376	$ 88,338,974
Net Position Liability – Ending (A) - (B)	$ 14,849,110	$ 1,890,133	$ 11,213,820	$ 12,986,070
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.41%	98.20%	89.13%	87.18%
Covered Payroll	$ 12,517,436	$ 14,160,313	$ 13,708,943	$ 14,232,174
Net Pension Liability as a Percentage of Covered Payroll	118.63%	13.35%	81.80%	91.24%

Additional years will be added to this schedule annually until 10 years of data is presented.

CITY OF DECATUR, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Taxes	$ 22,987,120	$ 22,987,120	$ 23,071,014	$ 83,894
Charges for Service	6,852,235	6,852,235	6,629,764	(222,471)
Investment Income and Net Increase in Fair Value of Investments	30,000	30,000	100,829	70,829
Intergovernmental	32,578,000	32,578,000	33,525,031	947,031
Licenses and Permits	1,246,000	1,246,000	1,298,969	52,969
Fines and Fees	1,147,000	1,147,000	1,210,244	63,244
Other Revenue	1,087,977	1,087,977	1,130,622	42,645
Total Revenues	65,928,332	65,928,332	66,966,473	1,038,141
EXPENDITURES				
Current:				
Legislative	49,964	49,964	47,002	2,962
Executive	661,375	661,375	585,927	75,448
Management Services	1,932,917	1,932,917	1,889,058	43,859
Legal	892,352	892,352	903,942	(11,590)
Financial Management	3,331,128	2,984,753	3,271,560	(286,807)
Police	27,957,294	27,957,294	27,210,276	747,018
Fire	19,258,925	19,258,925	19,041,369	217,556
Planning and Neighborhood Services	2,400,715	2,400,715	2,347,859	52,856
Public Works	9,413,710	9,413,710	8,647,946	765,764
Other Nondepartmental Charges	556,752	556,752	515,480	41,272
Debt Services:				
Principal Retirement	284,283	284,283	284,287	(4)
Interest and Other Charges	20,547	20,547	20,901	(354)
Total Expenditures	66,759,962	66,413,587	64,765,607	1,647,980
Excess (Deficiency) of Revenues Over Expenditures	(831,630)	(485,255)	2,200,866	2,686,121
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Asset	900	900	44,552	43,652
Transfers In	1,734,132	1,734,132	1,764,132	30,000
Transfers Out	(906,402)	(1,252,777)	(1,252,776)	1
Total Other Financing Sources (Uses)	828,630	482,255	555,908	73,653
Net Change in Fund Balance	$ (3,000)	$ (3,000)	2,756,774	$ 2,759,774
NET CHANGES IN BUDGETARY BASIS TO GAAP BASIS			(275,254)	
Net Change in Fund Balance - GAAP Basis			2,481,520	
Fund Balance - Beginning of Year			10,778,061	
FUND BALANCE - END OF YEAR			$ 13,259,581	

NOTE 1 BASIS OF ACCOUNTING

The accompanying budgetary schedules are prepared on the cash basis of accounting.

Appropriated Budget and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

The annual budget is legally adopted by Council Resolution through the budgetary process on an annual fiscal year basis for the general fund, special revenue funds (including TIF redevelopment funds), debt service funds, capital project funds, enterprise funds, internal service funds, and pension trust funds.

The process is initiated in September of each year, with departmental requests presented in October to the Budget Review Committee comprised of the City Manager, City Treasurer and Director of Finance.

The City Manager's proposed and balanced executive budget is presented to the City Council during November with a public hearing and final adoption taking place prior to December 31st of each year.

The appropriated budget is legally enacted through the passage of an Appropriation Ordinance before the end of March of each year, in accordance with State of Illinois statutory requirements. The Appropriation Ordinance may include changes from the approved budget and is adopted upon City Council passage after an additional public hearing.

Both the appropriated budget and Appropriation Ordinance are prepared on a cash basis which is not in accordance with Generally Accepted Accounting Principles (GAAP). The Budget to Actual schedules included in Required Supplementary Information include the amounts of timing differences necessary to reconcile the non-GAAP actual to GAAP actual fund balances for the General Fund and major Special Revenue funds (none in 2019).

The level of budgetary control is by Fund. Therefore, expenditures cannot legally exceed appropriations beyond this level.

Supplemental appropriation ordinances may be passed by the City Council, as required to appropriate new spending for expenditure not contemplated in the fiscal year appropriation ordinance, with funding provided by a new revenue source or expended from fund balance reserves.

NOTE 2 EXPENDITURES OVER BUDGET

No major funds had an excess of actual expenditures over legally enacted budget.

NOTE 3 SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 CONTRIBUTION RATE*

IMRF

Valuation Date

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2019 Contribution Rates

Actuarial Cost Method	Aggregate entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	25-year closed period
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.50%
Price Inflation	2.75% approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information

Notes	There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2016 actuarial valuation.

NOTE 3 SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 CONTRIBUTION RATE (CONTINUED)

Police Pension Plan

Valuation Date	January 1, 2019
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent, closed
Remaining Amortization Period	22 Years as of January 1, 2019
Amortization Growth Rate	3.5%
Asset Valuation Method	Market value
Inflation	2.5% per year
Salary Increases	3.5% per year until the assumed retirement age
Investment Rate of Return	7.5% per year
Retirement Age	Rates of retirement for age 50 to 65 were used.

Age	Rate of Retirement
50	.20
55	.25
60	.33
65	.50
70	1.0

Mortality	RP2000 Mortality Table, with Blue Collar Adjustment, projected to 2019
Termination Rates	See table below
Disability Rates	See table below. It is assumed that 100% of disability retirements and pre-retirement deaths are service related.

Age	Rate of Termination	Age	Rate of Disability
25	.075	25	.0005
30	.050	35	.0026
35	.030	45	.0065
40	.020	55	.0130
45	.020	65	.0200
50 and Over	.035		

NOTE 3 SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 CONTRIBUTION RATE (CONTINUED)

Fire Pension Plan

Valuation Date	January 1, 2019
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent, closed
Remaining Amortization Period	22 Years as of January 1, 2019
Amortization Growth Rate	3.5%
Asset Valuation Method	Market value
Inflation	2.5% per year
Salary Increases	3.5% per year until the assumed retirement age
Investment Rate of Return	7.0% per year
Retirement Age	Rates of retirement for age 50 to 65 were used

Age	Rate of Retirement
50	.14
55	.20
60	.25
65	.50
70	1.0

Mortality	RP2000 Mortality Table, with Blue Collar Adjustment, projected to 2019
Termination Rates	See table below
Disability Rates	See table below

Age	Rate of Termination
25	.050
30	.025
35	.020
40 and Over	.010

Age	Rate of Disability
25	.0010
35	.0035
45	.0065
40	.0050
55	.0150
65	.0425

IV Supplementary Information

Governmental Funds

CITY OF DECATUR, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019

Special Revenue Funds are used to account for revenues from specific taxes or other earmarked revenue sources which, by statute, charter provision, or local ordinance, are designated to finance particular functions or activities of the government as follows:

The Economic Development Fund is the City's primary fund supporting Economic Development initiatives. The funds main revenues come from 50% of the Electric Aggregation Admin Fee, which is used for the economic development initiatives. This fund was discontinued during 2019 with activities consolidated into the City's General Fund.

The HOME Fund accounts for federal funds used in a revolving loan program for subsidizing the purchase by first time buyers of homes within designated areas of the City.

Community Development Block Grant (CDBG) Fund accounts for entitlement revenues from the U.S. Department of Housing and Urban Development (HUD) and designated expenditures for housing and neighborhood revitalization, public facilities improvement, and economic development.

The TIF Fund accounts for the tax increment financing project activities for capital improvement in the City's seven (7) TIF Districts.

The DUATS Fund accounts for State of Illinois grant revenues for the purposes of conducting ongoing urban area transit studies in the greater Decatur and Macon County area of public transit services.

The State Drug Enforcement Fund accounts for revenues received through State of Illinois qualified drug enforcement asset seizures and expenditures to enhance law enforcement efforts.

The Public Safety Fund accounts for the revenue received from fines, fees, and grants used to defray the cost of certain expenditures benefiting the public safety operations of the City.

The Municipal Band Fund accounts for revenues, including property taxes levied for this activity, and expenditures for the City's Municipal Band.

The Federal Drug Enforcement Fund accounts for revenues received through Federal Government qualified drug enforcement asset seizures and expenditures to enhance law enforcement efforts.

The Foreign Fire Tax Fund accounts for the monies received from the foreign fire insurance gross receipts tax and expenditures for certain qualified fire department expenses.

The PEG Fund accounts for revenues received for franchise rights granted allowing the installation and operation of cable communication networks and expenditures for the operation of the Public Education and Governmental television station.

The DCDF fund accounts for the not-for-profit corporation which finances and subsidizes housing rehabilitation activities in the City.

The Major Moves Fund accounts for financial resources received from State of Illinois Grants and other sources for the purpose of investment in infrastructure projects providing economic development benefit to the City. This fund was discontinued during 2019 with activities consolidated into the City's Capital Project Fund.

The Building Fund accounts for revenues received from lease and rental agreements and expenditures for the operation and maintenance of City owned facilities.

The Community Revitalization Fund accounts for cash receipts and expenditures incurred from monies received related to the City's Community Revitalization programs.

The Police Capital Fund accounts for the revenue received from various Decatur Police Department sources. Revenues received are used to defray the expenses of the Police Department capital expenditures. This fund was discontinued during 2019 with activities consolidated into the City's Equipment Replacement Fund.

The Fire Capital Fund accounts for the revenue received from various Decatur Fire Department sources. Revenues received are used to defray the expenses of the Fire Department capital expenditures. This fund was discontinued during 2019 with activities consolidated into the City's Equipment Replacement Fund.

The Decatur Public Library Fund accounts for revenues designated to finance the City's Public Library and expenditures of such fund. The Library's primary source of revenue is property taxes.

The Motor Fuel Tax Fund accounts for revenues, including the City's motor fuel tax allotment from the State of Illinois, and expenditures from street improvements and traffic light maintenance.

The Local Streets and Roads Fund accounts for revenues received from the City's local motor fuel tax and expenditures for street and road improvements.

Capital Projects Funds account for the financial resources used for the acquisition or construction of capital investment in City infrastructure (other than those financed by proprietary funds or trust funds).

The Capital Projects Fund accounts for the financial resources used for capital projects, financed from intergovernmental revenues, charges for services, investment income, and other sources.

2018 Project Fund accounts for capital improvement projects financed by the proceeds from the 2018 Series General Obligation Bonds.

The Equipment Replacement Fund accounts for the financial resources available for governmental activity capital outlay for City Fleet vehicles and other machinery and equipment.

The **Debt Service Fund** accounts for the accumulation of resources for the payment of long-term debt obligations not funded by other funds of the City.

CITY OF DECATUR, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Total
ASSETS				
Cash and Investments	$ 10,089,064	$ 8,135,804	$ 1,385,237	$ 19,610,105
Receivables:				
Property Taxes, Net	5,058,324	-	2,098,658	7,156,982
Illinois Municipal Sales Tax	100,950	-	-	100,950
Other Taxes	235,596	-	-	235,596
Due from Other Governments	1,844,501	-	-	1,844,501
Due from Other Funds	2,600	-	-	2,600
Accounts Receivable	145,101	6,962	-	152,063
Notes Receivable	368,831	-	-	368,831
Other Receivable	-	18,576	433	19,009
Prepaid Expenses	3,280	-	-	3,280
Total Assets	$ 17,848,247	$ 8,161,342	$ 3,484,328	$ 29,493,917
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 2,791,098	$ 264,827	$ -	$ 3,055,925
Contracts Payable	78,056	326,134	-	404,190
Other Accrued Liabilities	346,036	-	-	346,036
Due to Other Funds	2,600	1,681,816	-	1,684,416
Total Liabilities	3,217,790	2,272,777	-	5,490,567
DEFERRED INFLOWS OF RESOURCES				
Unavailable Taxes and Grants	713,992	56,207	-	770,199
Subsequent Year's Property Taxes	5,058,324	-	2,098,658	7,156,982
Total Deferred Inflows of Resources	5,772,316	56,207	2,098,658	7,927,181
FUND BALANCES				
Nonspendable:				
Prepaid Items	3,280	-	-	3,280
Restricted:				
Transportation and Highway	4,044,744	-	-	4,044,744
Culture	35,464	-	-	35,464
Economic Development	1,532,184	-	-	1,532,184
Public Safety	695,582	5,966,551	-	6,662,133
Education	1,942,141	-	-	1,942,141
Debt Service	-	-	1,385,670	1,385,670
Committed:				
Education	604,746	-	-	604,746
Public Safety	-	665,583	-	665,583
Public Works	-	347,752	-	347,752
Unassigned	-	(1,147,528)	-	(1,147,528)
Total Fund Balances	8,858,141	5,832,358	1,385,670	16,076,169
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 17,848,247	$ 8,161,342	$ 3,484,328	$ 29,493,917

CITY OF DECATUR, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Total
REVENUES				
Taxes	$ 7,439,455	$ -	$ 1,954,454	$ 9,393,909
Investment Income	104,413	193,617	9,724	307,754
Intergovernmental	6,298,313	500,000	-	6,798,313
Fines and Fees	263,652	-	-	263,652
Other Revenues	1,394,088	251,004	-	1,645,092
Total Revenues	15,499,921	944,621	1,964,178	18,408,720
EXPENDITURES				
Current:				
Economic Development	3,801,876	5,000	-	3,806,876
Public Safety	2,077,416	2,544,435	-	4,621,851
Culture	92,903	-	-	92,903
Public Works	5,068,965	363,861	-	5,432,826
Education	5,006,311	-	-	5,006,311
Transportation	-	490,607		490,607
Debt Service:				
Principal Retirement	4,399,109	78,803	7,216,200	11,694,112
Interest and Other Charges	775,380	13,287	1,128,729	1,917,396
Bond Issuance Costs	18,500	-	130,087	148,587
Total Expenditures	21,240,460	3,495,993	8,475,016	33,211,469
Excess (Deficiency) of Revenues Over Expenditures	(5,740,539)	(2,551,372)	(6,510,838)	(14,802,749)
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	41,302	4,856	-	46,158
Loan Proceeds/Issuance of Debt	4,643,138	-	6,720,000	11,363,138
Transfers In	1,716,260	1,236,043	188,993	3,141,296
Transfers Out	(718,701)	-	-	(718,701)
Total Other Financing Sources (Uses)	5,681,999	1,240,899	6,908,993	13,831,891
Net Change in Fund Balances	(58,540)	(1,310,473)	398,155	(970,858)
Fund Balances - Beginning of Year	8,916,681	7,142,831	987,515	17,047,027
FUND BALANCES - END OF YEAR	$ 8,858,141	$ 5,832,358	$ 1,385,670	$ 16,076,169

CITY OF DECATUR, ILLINOIS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	Economic Development Fund	HOME Fund	CDBG Fund	TIF Fund	DUATS Funds	State Drug Enforcement Fund	Public Safety Fund	Municipal Band Fund	Federal Drug Enforcement Fund	Foreign Fire Tax Fund
ASSETS										
Cash and Investments	$ -	$ 77,286	$ 6,256	$ 1,509,916	$ 335	$ 203,974	$ 443,742	$ 35,464	$ 132,149	$ 210,564
Receivables:										-
Account Receivable, Net	-	-	-	-	-	-	-	-	78	-
Property Taxes, Net	-	-	-	2,125,939	-	-	-	64,285	-	-
Illinois Municipal Sales Tax	-	-	-	100,950	-	-	-	-	-	-
Other Taxes	-	-	-	1,824	-	-	-	-	-	-
Due from Other Governments	-	21,987	49,940	-	271,411	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	2,600	-	-	-	-
Notes Receivable	-	163,278	7,808	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	3,280	-	-	-	-
Total Assets	$ -	$ 262,551	$ 64,004	$ 3,738,629	$ 271,746	$ 209,854	$ 443,742	$ 99,749	$ 132,227	$ 210,564
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable	$ -	$ 34,342	$ 33,713	$ 1,569,827	$ 333	$ 7,534	$ 7,669	$ -	$ -	$ 7,025
Contracts Payable	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	2,600	-
Other Accrued Liabilities	-	-	-	-	-	108,562	164,135	-	-	-
Total Liabilities	-	34,342	33,713	1,569,827	333	116,096	171,804	-	2,600	7,025
DEFERRED INFLOWS OF RESOURCES										
Unavailable Taxes and Grants	-	-	-	33,650	-	-	-	-	-	-
Subsequent Year's Property Taxes	-	-	-	2,125,939	-	-	-	64,285	-	-
Total Deferred Inflows of Resources	-	-	-	2,159,589	-	-	-	64,285	-	-
FUND BALANCES										
Nonspendable:										
Prepaid Items	-	-	-	-	-	3,280	-	-	-	-
Restricted:										
Transportation and Highway	-	-	-	-	-	-	-	-	-	-
Culture	-	-	-	-	-	-	-	35,464	-	-
Economic Development	-	228,209	30,291	9,213	271,413	-	-	-	-	-
Public Safety	-	-	-	-	-	90,478	271,938	-	129,627	203,539
Education	-	-	-	-	-	-	-	-	-	-
Committed:										
Education	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	-	228,209	30,291	9,213	271,413	93,758	271,938	35,464	129,627	203,539
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ -	$ 262,551	$ 64,004	$ 3,738,629	$ 271,746	$ 209,854	$ 443,742	$ 99,749	$ 132,227	$ 210,564

CITY OF DECATUR, ILLINOIS
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	PEG Fund	DCDF Fund	Major Moves Fund	Building Fund	Community Revitalization Fund	Police Capital Fund	Fire Capital Fund	Library Fund	Motor Fuel Tax Fund	Local Streets and Roads Fund	Total
ASSETS											
Cash and Investments	$ 87,531	$ 138,586	$ -	$ 891,406	$ 715,742	$ -	$ -	$ 1,907,743	$ 1,727,301	$ 2,001,069	$ 10,089,064
Receivables:											
Account Receivable, Net	-	-	-	-	-	-	-	-	145,023	-	145,101
Property Taxes, Net	-	-	-	-	-	-	-	2,868,100	-	-	5,058,324
Illinois Municipal Sales Tax	-	-	-	-	-	-	-	-	-	-	100,950
Other Taxes	-	-	-	-	-	-	-	51,740	21,036	160,996	235,596
Due from Other Governments	-	-	-	-	-	-	-	-	1,501,163	-	1,844,501
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	2,600
Notes Receivable	-	197,745	-	-	-	-	-	-	-	-	368,831
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	3,280
Total Assets	$ 87,531	$ 336,331	$ -	$ 891,406	$ 715,742	$ -	$ -	$ 4,827,583	$ 3,394,523	$ 2,162,065	$ 17,848,247
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES											
LIABILITIES											
Accounts Payable	$ 546	$ 325	$ -	$ 286,660	$ 58,690	$ -	$ -	$ 18,745	$ 765,036	$ 653	$ 2,791,098
Contracts Payable	-	-	-	-	-	-	-	-	9,994	68,062	78,056
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	2,600
Other Accrued Liabilities	-	-	-	-	-	-	-	73,339	-	-	346,036
Total Liabilities	546	325	-	286,660	58,690	-	-	92,084	775,030	68,715	3,217,790
DEFERRED INFLOWS OF RESOURCES											
Unavailable Taxes and Grants	-	-	-	-	-	-	-	12,243	668,099	-	713,992
Subsequent Year's Property Taxes	-	-	-	-	-	-	-	2,868,100	-	-	5,058,324
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	2,880,343	668,099	-	5,772,316
FUND BALANCES											
Nonspendable:											
Prepaid Items	-	-	-	-	-	-	-	-	-	-	3,280
Restricted:											
Transportation and Highway	-	-	-	-	-	-	-	-	1,951,394	2,093,350	4,044,744
Culture	-	-	-	-	-	-	-	-	-	-	35,464
Economic Development	-	336,006	-	-	657,052	-	-	-	-	-	1,532,184
Public Safety	-	-	-	-	-	-	-	-	-	-	695,582
Education	86,985	-	-	-	-	-	-	1,855,156	-	-	1,942,141
Committed:											
Education	-	-	-	604,746	-	-	-	-	-	-	604,746
Total Fund Balance	86,985	336,006	-	604,746	657,052	-	-	1,855,156	1,951,394	2,093,350	8,858,141
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 87,531	$ 336,331	$ -	$ 891,406	$ 715,742	$ -	$ -	$ 4,827,583	$ 3,394,523	$ 2,162,065	$ 17,848,247

CITY OF DECATUR, ILLINOIS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019

	Economic Development Fund	HOME Fund	CDBG Fund	TIF Fund	DUATS Fund	State Drug Enforcement Fund	Public Safety Fund	Municipal Band Fund	Federal Drug Enforcement Fund	Foreign Fire Tax Fund
REVENUES										
Taxes	$ -	$ -	$ -	$ 2,447,309	$ -	$ -	$ -	$ 67,781	$ -	$ -
Investment Income and Net Increase in Fair Value of Investments	557	4,730	-	14,347	602	1,120	5,172	324	-	2,088
Intergovernmental	31,548	286,306	1,031,163	177,294	390,806	-	-	-	78	-
Fines and Fees	-	-	-	-	-	154,073	82,699	-	-	-
Other Revenue	88,465	-	-	147,983	-	27,600	9,970	19,971	37,175	144,386
Total Revenues	120,570	291,036	1,031,163	2,786,933	391,408	182,793	97,841	88,076	37,253	146,474
EXPENDITURES										
Current:										
Economic Development	288,751	302,450	868,152	1,324,414	189,121	-	-	-	-	-
Public Safety	-	-	-	-	-	191,760	50,725	-	25,668	158,745
Culture	-	-	-	-	-	-	-	92,903	-	-
Public Works	-	-	-	-	43,375	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Debt Services:										
Principal Retirement	-	-	1,005,000	942,850	-	-	-	-	-	-
Interest and Other Charges	-	-	-	622,081	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-	-	-
Total Expenditures	288,751	302,450	1,873,152	2,889,345	232,496	191,760	50,725	92,903	25,668	158,745
Excess (Deficiency) of Revenues Over Expenditures	(168,181)	(11,414)	(841,989)	(102,412)	158,912	(8,967)	47,116	(4,827)	11,585	(12,271)
OTHER FINANCING SOURCES (USES)										
Sale of Capital Assets	-	-	-	-	-	12,885	-	-	-	-
Issuance of Debt	-	-	810,000	-	-	-	-	-	-	-
Transfers In	147,307	-	-	579,402	-	-	-	11,456	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	147,307	-	810,000	579,402	-	12,885	-	11,456	-	-
Net Change in Fund Balances	(20,874)	(11,414)	(31,989)	476,990	158,912	3,918	47,116	6,629	11,585	(12,271)
Fund Balances (Deficit) - Beginning of Year	20,874	239,623	62,280	(467,777)	112,501	89,840	224,822	28,835	118,042	215,810
FUND BALANCES (DEFICIT) - END OF YEAR	$ -	$ 228,209	$ 30,291	$ 9,213	$ 271,413	$ 93,758	$ 271,938	$ 35,464	$ 129,627	$ 203,539

CITY OF DECATUR, ILLINOIS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED DECEMBER 31, 2019

	PEG Fund	DCDF Fund	Major Moves Fund	Building Fund	Community Revitalization Fund	Police Capital Fund	Fire Capital Fund	Library Fund	Motor Fuel Tax Fund	Local Streets and Roads Fund	Total
REVENUES											
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,021,532	$ -	$ 1,902,833	$ 7,439,455
Investment Income and Net Increase in Fair Value of Investments	960	10,013	128	2,325	14,491	3,672	5,069	14,945	23,160	710	104,413
Intergovernmental	-	-	56,151	-	125,000	33,609	71,293	483,103	3,611,962	-	6,298,313
Fines and Fees	-	-	-	-	-	-	-	26,880	-	-	263,652
Other Revenue	77,058	75	30,000	594,546	1,100	1,274	39,000	26,698	148,787	-	1,394,088
Total Revenues	78,018	10,088	86,279	596,871	140,591	38,555	115,362	3,573,158	3,783,909	1,903,543	15,499,921
EXPENDITURES											
Current:											
Economic Development	-	11,519	-	-	817,469	-	-	-	-	-	3,801,876
Public Safety	-	-	-	-	-	1,354,339	296,179	-	-	-	2,077,416
Culture	-	-	-	-	-	-	-	-	-	-	92,903
Public Works	-	-	549	-	-	-	-	-	3,518,194	1,506,847	5,068,965
Education	52,060	-	-	1,350,397	-	-	-	3,603,854	-	-	5,006,311
Debt Services:											
Principal Retirement	-	-	-	-	-	1,242,930	136,900	-	-	1,071,429	4,399,109
Interest and Other Charges	-	-	-	-	-	5,411	20,224	-	-	127,664	775,380
Bond Issuance Costs				9,250	-	9,250	-	-	-	-	18,500
Total Expenditures	52,060	11,519	549	1,359,647	817,469	2,611,930	453,303	3,603,854	3,518,194	2,705,940	21,240,460
Excess (Deficiency) of Revenues Over Expenditures	25,958	(1,431)	85,730	(762,776)	(676,878)	(2,573,375)	(337,941)	(30,696)	265,715	(802,397)	(5,740,539)
OTHER FINANCING SOURCES (USES)											
Sale of Capital Assets	-	-	-	-	-	28,417	-	-	-	-	41,302
Issuance of Debt	-	-	-	1,286,380	-	2,279,450	-	-	-	267,308	4,643,138
Transfers In	-	-	30,000	-	-	307,000	130,000	511,095	-	-	1,716,260
Transfers Out	-	-	(53,118)	-	-	(399,980)	(265,603)	-	-	-	(718,701)
Total Other Financing Sources (Uses)	-	-	(23,118)	1,286,380	-	2,214,887	(135,603)	511,095	-	267,308	5,681,999
Net Change in Fund Balances	25,958	(1,431)	62,612	523,604	(676,878)	(358,488)	(473,544)	480,399	265,715	(535,089)	(58,540)
Fund Balances (Deficit) - Beginning of Year	61,027	337,437	(62,612)	81,142	1,333,930	358,488	473,544	1,374,757	1,685,679	2,628,439	8,916,681
FUND BALANCES (DEFICIT) - END OF YEAR	$ 86,985	$ 336,006	$ -	$ 604,746	$ 657,052	$ -	$ -	$ 1,855,156	$ 1,951,394	$ 2,093,350	$ 8,858,141

CITY OF DECATUR, ILLINOIS
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original & Final Budget	Actual	Variance from Final Budget
REVENUES			
Intergovernmental	$ -	$ 31,548	$ 31,548
Investment Income	-	557	557
Other Revenue	78,000	88,465	10,465
Total Revenues	78,000	120,570	42,570
EXPENDITURES			
Economic Development	371,000	370,764	236
Excess (Deficiency) of Revenues Over Expenditures	(293,000)	(250,194)	42,806
OTHER FINANCING SOURCES			
Transfers In	-	147,307	147,307
NET CHANGE IN FUND BALANCE	$ (293,000)	$ (102,887)	$ 190,113

CITY OF DECATUR, ILLINOIS
HOME FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original & Final Budget	Actual	Variance from Final Budget
REVENUES			
Federal Grants	$ 844,373	$ 265,214	$ (579,159)
Loan Repayment	30,000	40,474	10,474
Investment Income	-	778	778
Total Revenues	874,373	306,466	(567,907)
EXPENDITURES			
Economic Development	772,822	286,448	486,374
Excess (Deficiency) of Revenues Over Expenditures	101,551	20,018	(81,533)
OTHER FINANCING USES			
Transfers Out	(101,551)	-	101,551
NET CHANGE IN FUND BALANCE	$ -	$ 20,018	$ 20,018

CITY OF DECATUR, ILLINOIS
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original & Final Budget	Actual	Variance from Final Budget
REVENUES			
Federal Grant	$ 2,755,861	$ 1,050,661	$ (1,705,200)
Other Revenue	700	3,227	3,927
Total Revenue	2,756,561	1,053,888	(1,701,273)
EXPENDITURES			
Economic Development:			
Public Services	1,415,578	319,449	1,096,129
Personnel Services	516,485	500,287	16,198
Contractual Services	116,419	7,204	109,215
Supplies	58,447	30,111	28,336
Other Charges	3,268	1,745	1,523
Debt Services:			
Principal Retirement	195,000	1,005,000	(810,000)
Total Expenditures	2,305,197	1,863,796	441,401
Excess (Deficiency) of Revenues Over Expenditures	451,364	(809,908)	(1,261,272)
OTHER FINANCING SOURCES			
Loan Proceeds	-	810,000	810,000
NET CHANGE IN FUND BALANCE	$ 451,364	$ 92	$ (451,272)

CITY OF DECATUR, ILLINOIS
TIF FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Property Taxes	$ 2,216,565	$ 2,217,159	$ 594
Intergovernmental	437,400	388,420	(48,980)
Investment Income	-	14,347	14,347
Other Revenue	147,117	147,983	866
Total Revenues	2,801,082	2,767,909	(33,173)
EXPENDITURES			
Economic Development	1,842,674	1,221,083	621,591
Debt Services:			
Principal Retirement	942,484	942,850	(366)
Interest and Other Charges	753,240	622,081	131,159
Total Expenses	3,538,398	2,786,014	752,384
Excess (Deficiency) of Revenues Over Expenditures	(737,316)	(18,105)	719,211
OTHER FINANCING SOURCES			
Transfers In	439,402	579,402	140,000
NET CHANGE IN FUND BALANCE	$ (297,914)	$ 561,297	$ 859,211

CITY OF DECATUR, ILLINOIS
DUATS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original and Final Budget	Actual	Variance from Final Budget
REVENUES			
Intergovernmental	$ 260,000	$ 202,160	$ (57,840)
Investment Income	-	602	602
Total Revenue	260,000	202,762	(57,238)
EXPENDITURES			
Economic Development	227,263	188,933	38,330
Public Works	35,600	73,860	(38,260)
Total Expenditures	262,863	262,793	70
NET CHANGE IN FUND BALANCE	$ (2,863)	$ (60,031)	$ (57,168)

CITY OF DECATUR, ILLINOIS
STATE DRUG ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ 200	$ 1,120	$ 920
Fines and Fees	187,000	154,073	(32,927)
Other Revenue	100	25,000	24,900
Total Revenues	187,300	180,193	(7,107)
EXPENDITURES			
Public Safety	390,000	189,188	200,812
Excess (Deficiency) of Revenues Over Expenditures	(202,700)	(8,995)	193,705
OTHER FINANCING SOURCES			
Sale of Capital Assets	100	12,885	12,785
NET CHANGE IN FUND BALANCE	$ (202,600)	$ 3,890	$ 206,490

CITY OF DECATUR, ILLINOIS
PUBLIC SAFETY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Fines and Fees	$ 125,800	$ 82,699	$ (43,101)
Intergovernmental	100,000	-	(100,000)
Investment Income	175	5,172	4,997
Other Revenues	4,000	9,970	5,970
Total Revenues	229,975	97,841	(132,134)
EXPENDITURES			
Public Safety	286,500	44,317	242,183
Excess (Deficiency) of Revenues Over Expenditures	(56,525)	53,524	110,049
OTHER FINANCING SOURCES			
Sale of Capital Assets	4,000	-	(4,000)
NET CHANGE IN FUND BALANCE	$ (52,525)	$ 53,524	$ 106,049

CITY OF DECATUR, ILLINOIS
MUNICIPAL BAND FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Property Taxes	$ 63,700	$ 67,781	$ 4,081
Investment Income	100	324	224
Other Revenue	20,000	19,971	(29)
Total Revenues	83,800	88,076	4,276
EXPENDITURES			
Culture	95,256	93,979	1,277
Excess (Deficiency) of Revenues Over Expenditures	(11,456)	(5,903)	5,553
OTHER FINANCING SOURCES			
Transfer In	11,456	11,456	-
NET CHANGE IN FUND BALANCE	$ -	$ 5,553	$ 5,553

CITY OF DECATUR, ILLINOIS
FEDERAL DRUG ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original and Final Budget	Actual	Variance from Final Budget
REVENUES	$ 100,200	$ 39,775	$ (60,425)
EXPENDITURES			
Public Safety	150,000	25,668	124,332
NET CHANGE IN FUND BALANCE	$ (49,800)	$ 14,107	$ 63,907

CITY OF DECATUR, ILLINOIS
FOREIGN FIRE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Intergovernmental	$ 100,000	$ 142,934	$ 42,934
Investment Income	-	2,088	2,088
Other Revenue	-	1,452	1,452
Total Revenues	100,000	146,474	46,474
EXPENDITURES			
Public Safety	163,600	163,520	80
NET CHANGE IN FUND BALANCE	$ (63,600)	$ (17,046)	$ 46,554

CITY OF DECATUR, ILLINOIS
PEG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original and Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ 250	$ 960	$ 710
Other Revenue	76,000	77,058	1,058
Total Revenues	76,250	78,018	1,768
EXPENDITURES			
Education	79,693	52,013	27,680
NET CHANGE IN FUND BALANCE	$ (3,443)	$ 26,005	$ 29,448

CITY OF DECATUR, ILLINOIS
DCDF FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original and Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ -	$ 1,550	$ 1,550
Other Revenue	17,300	17,112	(188)
Total Revenues	17,300	18,662	1,362
EXPENDITURES			
Economic Development	132,300	9,621	122,679
NET CHANGE IN FUND BALANCE	$ (115,000)	$ 9,041	$ 124,041

CITY OF DECATUR, ILLINOIS
MAJOR MOVES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original and Final Budget	Actual	Variance from Final Budget
REVENUES			
Intergovernmental	$ 7,602,250	$ 83,433	$ (7,518,817)
Investment Income	-	128	128
Other Revenue	-	30,000	30,000
Total Revenue	7,602,250	113,561	(7,488,689)
EXPENDITURES			
Public Works	7,669,010	13,680	7,655,330
Excess (Deficiency) of Revenues Over Expenditures	(66,760)	99,881	166,641
OTHER FINANCING SOURCES (USES)			
Transfers In	30,000	30,000	-
Transfers Out	-	(109,325)	(109,325)
Total Other Financing Sources (Uses)	30,000	(79,325)	(109,325)
NET CHANGE IN FUND BALANCE	$ (36,760)	$ 20,556	$ 57,316

CITY OF DECATUR, ILLINOIS
BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ 720	$ 2,325	$ 1,605
Other Revenue	594,168	594,546	378
Total Revenues	594,888	596,871	1,983
EXPENDITURES			
Education	2,279,488	1,096,760	1,182,728
Debt Services:			
Bond Issuance Costs	-	9,250	(9,250)
Total Expenditures	2,279,488	1,106,010	1,173,478
Excess (Deficiency) of Revenues Over Expenditures	(1,684,600)	(509,139)	1,175,461
OTHER FINANCING SOURCES			
Bond Proceeds	1,800,000	1,286,380	(513,620)
NET CHANGE IN FUND BALANCE	$ 115,400	$ 777,241	$ 661,841

CITY OF DECATUR, ILLINOIS
COMMUNITY REVITALIZATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ 5,000	$ 14,491	$ 9,491
Other Revenue	125,000	126,100	1,100
Total Revenues	130,000	140,591	10,591
EXPENDITURES			
Economic Development	1,502,394	775,558	726,836
NET CHANGE IN FUND BALANCE	$ (1,372,394)	$ (634,967)	$ 737,427

CITY OF DECATUR, ILLINOIS
POLICE CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Intergovernmental	$ 30,000	$ 33,609	$ 3,609
Investment Income	300	3,672	3,372
Other Revenue	-	1,274	1,274
Total Revenues	30,300	38,555	8,255
EXPENDITURES			
Public Safety	1,075,757	90,339	985,418
Debt Services:			
Principal Retirement	482,748	1,242,930	(760,182)
Interest and Other Charges	19,341	5,411	13,930
Bond Issuance Costs	-	9,250	(9,250)
Total Expenditures	1,577,846	1,347,930	229,916
Excess (Deficiency) of Revenues Over Expenditures	(1,547,546)	(1,309,375)	238,171
OTHER FINANCING SOURCES (USES)			
Sale of Capital Assets	5,000	28,417	23,417
Issuance of Debt	1,000,000	1,013,620	13,620
Transfers In	307,000	307,000	-
Transfers Out	(170,100)	(399,980)	(229,880)
Total Other Financing Sources (Uses)	1,141,900	949,057	(192,843)
NET CHANGE IN FUND BALANCE	$ (405,646)	$ (360,318)	$ 45,328

CITY OF DECATUR, ILLINOIS
FIRE CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original & Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ -	$ 5,069	$ 5,069
Rental Income	-	39,000	39,000
Other Revenue	45,000	71,293	26,293
Total Revenues	45,000	115,362	70,362
EXPENDITURES			
Public Safety	904,161	436,322	467,839
Debt Service:			
Principal Retirement	62,784	151,066	(88,282)
Interest and Other Charges	5,978	6,058	(80)
Total Expenditures	972,923	593,446	379,477
OTHER FINANCING SOURCES (USES)			
Transfers In	130,000	130,000	-
Transfers Out	-	(265,603)	(265,603)
Total Other Financing Sources (Uses)	130,000	(135,603)	(265,603)
NET CHANGE IN FUND BALANCE	$ (797,923)	$ (613,687)	$ 184,236

CITY OF DECATUR, ILLINOIS
LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original & Final Budget	Actual	Variance from Final Budget
REVENUES			
Taxes	$ 2,842,000	$ 3,021,532	$ 179,532
Intergovernmental	360,000	463,767	103,767
Investment Income and Net Increase in Fair Value of Investments	500	14,945	14,445
Fines and Fees	18,450	26,880	8,430
Rental Income	1,500	1,500	-
Other Revenue	357,000	25,198	(331,802)
Total Revenues	3,579,450	3,553,822	(25,628)
EXPENDITURES			
Current:			
Education	4,108,382	3,593,355	515,027
Excess (Deficiency) of Revenues Over Expenditures	(528,932)	(39,533)	489,399
OTHER FINANCING SOURCES			
Transfers In	511,095	511,095	-
NET CHANGE IN FUND BALANCE	$ (17,837)	$ 471,562	$ 489,399

CITY OF DECATUR, ILLINOIS
MOTOR FUEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original & Final Budget	Actual	Variance from Final Budget
REVENUES			
Intergovernmental:			
Motor Fuel Tax	$ 1,940,000	$ 2,328,434	$ 388,434
Other	180,000	794,567	614,567
Investment Income	8,000	23,160	15,160
Other Revenue	-	3,763	3,763
Total Revenues	2,128,000	3,149,924	1,021,924
EXPENDITURES			
Public Works:			
Street Repair and Maintenance	2,811,226	2,811,214	12
NET CHANGE IN FUND BALANCE	$ (683,226)	$ 338,710	$ 1,021,936

CITY OF DECATUR, ILLINOIS
LOCAL STREETS AND ROADS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Original and Final Budget	Actual	Variance from Final Budget
REVENUES			
Intergovernmental	$ 1,781,000	$ 1,901,087	$ 120,087
Investment Income and Net Increase in Fair Value of Investments	-	709	709
Total Revenues	1,781,000	1,901,796	120,796
EXPENDITURES			
Current:			
Public Works	1,505,004	1,463,088	41,916
Debt Services:			
Principal Retirement	1,071,429	1,071,429	-
Interest and Other Charges	90,000	127,664	(37,664)
Total Expenses	2,666,433	2,662,181	4,252
Excess (Deficiency) of Revenues Over Expenditures	(885,433)	(760,385)	125,048
OTHER FINANCING SOURCES			
Issuance of Debt	-	267,308	267,308
NET CHANGE IN FUND BALANCE	$ (885,433)	$ (493,077)	$ 392,356

CITY OF DECATUR, ILLINOIS
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	Capital Projects Fund	2018 Project Fund	Equipment Replacement Fund	Total
ASSETS				
Cash and Investments	$ 655,457	$ 6,403,151	$ 1,077,196	$ 8,135,804
Receivables:				
Accounts Receivable	6,962	-	-	6,962
Other	-	18,576	-	18,576
Total Assets	$ 662,419	$ 6,421,727	$ 1,077,196	$ 8,161,342
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 71,924	$ 192,903	$ -	$ 264,827
Contracts Payable	-	262,273	63,861	326,134
Due to Other Funds	1,681,816	-	-	1,681,816
Total Liabilities	1,753,740	455,176	63,861	2,272,777
Deferred Inflows of Resources:				
Unavailable Taxes and Grants	56,207	-	-	56,207
Fund Balances				
Restricted:				
Public Safety	-	5,966,551	-	5,966,551
Committed:				
Publc Safety	-	-	665,583	665,583
Public Works	-	-	347,752	347,752
Unassigned	(1,147,528)	-	-	(1,147,528)
Total Fund Balances	(1,147,528)	5,966,551	1,013,335	5,832,358
Total Liabilities and Fund Balances	$ 662,419	$ 6,421,727	$ 1,077,196	$ 8,161,342

CITY OF DECATUR, ILLINOIS
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019

	Capital Projects Fund	2018 Project Fund	Equipment Replacement Fund	Total
REVENUES				
Investment Income	$ 6,823	$ 177,612	$ 9,182	$ 193,617
Intergovernmental	500,000	-	-	500,000
Other Revenues	249,614	-	1,390	251,004
Total Revenues	756,437	177,612	10,572	944,621
EXPENDITURES				
Current:				
Economic Development	5,000	-	-	5,000
Public Safety	-	2,544,435	-	2,544,435
Public Works	300,000	-	63,861	363,861
Transportation	490,607	-	-	490,607
Debt Service:				
Principal Retirement	-	-	78,803	78,803
Interest and Other Charges	-	-	13,287	13,287
Total Expenditures	795,607	2,544,435	155,951	3,495,993
Deficiency of Revenues Over Expenditures	(39,170)	(2,366,823)	(145,379)	(2,551,372)
OTHER FINANCING SOURCES				
Sale of Capital Assets	-	-	4,856	4,856
Transfers In	82,185	-	1,153,858	1,236,043
Total Other Financing Sources (Uses)	82,185	-	1,158,714	1,240,899
NET CHANGE IN FUND BALANCE	43,015	(2,366,823)	1,013,335	(1,310,473)
Fund Balances - Beginning of Year	(1,190,543)	8,333,374	-	7,142,831
FUND BALANCES - END OF YEAR	$ (1,147,528)	$ 5,966,551	$ 1,013,335	$ 5,832,358

CITY OF DECATUR, ILLINOIS
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ -	$ 6,823	$ 6,823
Intergovernmental	-	500,000	500,000
Other Revenue	175,538	249,614	74,076
Total Revenues	175,538	756,437	580,899
EXPENDITURES			
Economic Development	5,000	5,000	-
Public Works	300,000	300,000	-
Transportation	505,538	418,683	86,855
Total Expenditures	810,538	723,683	86,855
Deficiency of Revenues Over Expenditures	(330,000)	337,754	667,754
OTHER FINANCING SOURCES (USES)			
Transfers In	-	138,392	138,392
Transfers Out	(300,000)	-	300,000
Total Other Financing Sources (Uses)	(300,000)	138,392	438,392
NET CHANGE IN FUND BALANCE	$ (630,000)	$ 476,146	$ 1,106,146

CITY OF DECATUR, ILLINOIS
2018 PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ 33,000	$ 154,064	$ 121,064
EXPENDITURES			
Public Safety	7,723,190	2,189,748	5,533,442
NET CHANGE IN FUND BALANCE	$ (7,690,190)	$ (2,035,684)	$ 5,654,506

CITY OF DECATUR, ILLINOIS
EQUIPMENT REPLACEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Investment Income	$ -	$ 9,182	$ 9,182
Other Revenue	-	1,390	1,390
Total Revenues	-	10,572	10,572
EXPENDITURES			
Debt Service:			
Principal Retirement	-	78,803	(78,803)
Interest and Other Charges	-	13,287	(13,287)
Total Expenditures	-	92,090	(92,090)
Deficiency of Revenues Over Expenditures	-	(81,518)	(81,518)
OTHER FINANCING SOURCES			
Sale of Capital Assets	-	4,856	4,856
Transfers In	-	1,153,858	1,153,858
Total Other Financing Sources	-	1,158,714	1,158,714
NET CHANGE IN FUND BALANCE	$ -	$ 1,077,196	$ 1,077,196

CITY OF DECATUR, ILLINOIS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CASH BASIS (NON-GAAP) BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance from Final Budget
REVENUES			
Property Taxes	$ 1,879,640	$ 1,954,454	$ 74,814
Investment Income	-	9,724	9,724
Total Revenues	1,879,640	1,964,178	84,538
EXPENDITURES			
Debt Service:			
Principal and Interest	7,584,728	7,216,200	368,528
Interest and Fiscal Charges	820,552	1,128,729	(308,177)
Bond Issuance Costs	127,377	130,087	(2,710)
Total Expenditures	8,532,657	8,475,016	57,641
Deficiency of Revenues Over Expenditures	(6,653,017)	(6,510,838)	142,179
OTHER FINANCING SOURCES			
Debt Issuance	6,720,000	6,720,000	-
Transfers In	188,993	188,993	-
Total Other Financing Sources	6,908,993	6,908,993	-
NET CHANGE IN FUND BALANCE	$ 255,976	$ 398,155	$ 142,179

V Supplementary Information

Nonmajor Enterprise Funds

CITY OF DECATUR, ILLINOIS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2019

Enterprise Funds are established to account for operations: A) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or B) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

The Recycling Fund accounts for the operation of the City-wide residential recycling program.

The Storm Water Fund accounts for the construction, operation, and maintenance of the City owned storm water sewer system. Revenues are generated through charges to property owners based on property size.

The Fiber Optics fund accounts for the construction, operation, and maintenance of the City owned fiber optic network. Revenues are generated through user fees charged for bandwidth access on the City owned fiber optic network.

CITY OF DECATUR, ILLINOIS
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Recycling Fund	Storm Water Fund	Fiber Optics Fund	Total
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	$ 121,100	$ 2,613,438	$ 115,171	$ 2,849,709
Receivables:				
Accounts Receivable	56,250	75,026	450	131,726
Total Current Assets	177,350	2,688,464	115,621	2,981,435
Property, Plant, and Equipment:				
Improvements Other Than Buildings	-	3,718,854	819,472	4,538,326
Construction in Progress	-	568,168	-	568,168
Machinery and Equipment	-	27,985	13,645	41,630
Less: Accumulated Depreciation	-	125,392	73,519	198,911
Total Property, Plant, and Equipment	-	4,189,615	759,598	4,949,213
Total Assets	$ 177,350	$ 6,878,079	$ 875,219	$ 7,930,648
LIABILITIES AND NET POSITION				
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 56,153	$ 1,644	$ -	$ 57,797
Interest Payable	-	6,641	-	6,641
Notes Payable	-	159,576	-	159,576
Total Current Liabilities	56,153	167,861	-	224,014
Noncurrent Liabilities:				
Notes Payable	-	3,293,654	-	3,293,654
Total Liabilities	56,153	3,461,515	-	3,517,668
NET POSITION				
Net Investment in Capital Assets	-	736,385	759,598	1,495,983
Unrestricted	121,197	2,680,179	115,621	2,916,997
Total Net Position	121,197	3,416,564	875,219	4,412,980
Total Liabilities and Net Position	$ 177,350	$ 6,878,079	$ 875,219	$ 7,930,648

CITY OF DECATUR, ILLINOIS
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019

	Recycling Fund	Storm Water Fund	Fiber Optics Fund	Total
OPERATING REVENUES				
Charges for Services	$ 683,438	$ 1,468,670	$ 29,117	$ 2,181,225
OPERATING EXPENSES				
Contractual Services	658,100	1,020,481	56,000	1,734,581
Supplies	24,458	37,851	4,844	67,153
Depreciation	-	102,484	43,447	145,931
Total Operating Expenses	682,558	1,160,816	104,291	1,947,665
OPERATING INCOME (LOSS)	880	307,854	(75,174)	233,560
NONOPERATING REVENUES (EXPENSES)				
Investment Income	1,327	31,187	2,119	34,633
Interest and Other Charges	-	(64,993)	-	(64,993)
Total Nonoperating Revenues (Expenses)	1,327	(33,806)	2,119	(30,360)
Income Before Transfers	2,207	274,048	(73,055)	203,200
TRANSFERS				
Transfers In	-	120,000	-	120,000
Transfers Out	-	(35,015)	-	(35,015)
Total Transfers	-	84,985	-	84,985
Change in Net Position	2,207	359,033	(73,055)	288,185
Net Position - Beginning of Year	118,990	3,057,531	948,274	4,124,795
NET POSITION - END OF YEAR	$ 121,197	$ 3,416,564	$ 875,219	$ 4,412,980

CITY OF DECATUR, ILLINOIS
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019

	Recycling Fund	Storm Water Fund	Fiber Optics Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Charges for Services	$ 694,311	$ 1,598,696	$ 28,667	$ 2,321,674
Cash Paid to Suppliers for Goods and Services	(662,794)	(1,108,052)	(63,844)	(1,834,690)
Net Cash Provided (Used) by Operating Activities	31,517	490,644	(35,177)	486,984
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Transfers from Other Funds	-	120,000	-	120,000
Cash Transfers to Other Funds	-	(35,015)	-	(35,015)
Net Cash Provided (Used) by Noncapital Financing Activities	-	84,985	-	84,985
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Property, Plant, and Equipment	-	(1,122,263)	(245,838)	(1,368,101)
Proceeds from the Acquisition of Debt	-	1,243,814	-	1,243,814
Principal Payment on Debt	-	(127,952)	-	(127,952)
Interest Payments and Other Charges	-	(58,352)	-	(58,352)
Net Cash Used by Capital and Related Financing Activities	-	(64,753)	(245,838)	(310,591)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	1,327	31,187	2,119	34,633
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	32,844	542,063	(278,896)	296,011
Cash and Cash Equivalents - Beginning of Year	88,256	2,071,375	394,067	2,553,698
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 121,100	$ 2,613,438	$ 115,171	$ 2,849,709
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ 880	$ 307,854	$ (75,174)	$ 233,560
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	-	102,484	43,447	145,931
Effects of Changes in Operating Assets and Liabilities:				
Accounts Receivable	10,873	130,026	(450)	140,449
Accounts Payable	19,764	111,696	(3,000)	128,460
Contracts Payable	-	(161,416)	-	(161,416)
Net Cash Provided (Used) by Operating Activities	$ 31,517	$ 490,644	$ (35,177)	$ 486,984
NONCASH ACTIVITIES				
Noncash Transactions	$ -	$ 1,004,247	$ 245,838	$ 1,250,085

Property and equipment purchases in the Storm Water Fund for prior year which the cash had not been disbursed but rather was in accounts payable amounted to $1,004,247, which was reversed out in the current year.

Property and equipment purchases in the Fiber Optics Fund for prior year which the cash has not been disbursed but rather was in accounts payable amounted to $245,838, which was reversed out in the current year.

VI Supplementary Information

Internal Service Funds

CITY OF DECATUR, ILLINOIS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2019

Internal Service Funds are established to finance and account for services and commodities furnished by a designated department or agency to other departments and agencies within a single governmental unit on a cost reimbursement basis. Amounts expended by the fund are restored thereto, either from operating earnings or by transfers from other funds, so that the original fund capital is left intact.

The Fleet Maintenance accounts for services provided by the Fleet Maintenance garage for repair and maintenance of motorized vehicles and equipment and for funds transferred from operating departments for the expenses to service and maintain City fleet equipment.

The Risk Management Fund accounts for the financial resources collected from other City funds to defray the cost of business insurance, including workers' compensation, property and casualty, and general liability coverage for City operations.

The Self Insurance (Employee Benefit Insurance) Fund accounts for financial resources, including payroll deductions and the City's contribution, and expenditures made for payment of medical, nonmedical, unemployment claims, flexible spending program, and the related costs for the programs.

CITY OF DECATUR, ILLINOIS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Fleet Maintenance Fund	Risk Management Fund	Employee Benefit Insurance Fund	Total
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	$ 116,451	$ 2,003,152	$ 2,521,938	$ 4,641,541
Receivables:				
Accounts Receivable	1,285	-	-	1,285
Inventories	296,479	-	-	296,479
Prepaid	-	165,483	-	165,483
Total Current Assets	414,215	2,168,635	2,521,938	5,104,788
PROPERTY, PLANT, AND EQUIPMENT				
Machinery and Equipment	1,181,737	-	-	1,181,737
Less: Accumulated Depreciation	723,542	-	-	723,542
Total Property, Plant, and Equipment	458,195	-	-	458,195
Total Assets	872,410	2,168,635	2,521,938	5,562,983
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amount Related to OPEB	37,659	-	-	37,659
Deferred Amount Related to Pension	374,628	-	-	374,628
Total Deferred Outflows of Resources	412,287	-	-	412,287
Total Assets and Deferred Outflows of Resources	$ 1,284,697	$ 2,168,635	$ 2,521,938	$ 5,975,270
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
CURRENT LIABILITIES				
Accounts Payable	$ 31,620	$ 44,865	$ 72,387	$ 148,872
Interest Payable	2,472	-	-	2,472
Other Accrued Liabilities	19,948	-	-	19,948
Compensated Absences	24,245	-	-	24,245
Claims Payable	-	1,530,531	1,121,809	2,652,340
Notes Payable	41,403	-	-	41,403
Total Current Liabilities	119,688	1,575,396	1,194,196	2,889,280
NONCURRENT LIABILITIES				
Other Post-Employment Benefits	389,041	-	-	389,041
Net Pension Liability	560,344	-	-	560,344
Notes Payable	528,516	-	-	528,516
Total Noncurrent Liabilities	1,477,901	-	-	1,477,901
Total Liabilities	1,597,589	1,575,396	1,194,196	4,367,181
DEFERRED INFLOWS OF RESOURCES				
Deferred Amount Related to OPEB	14,836	-	-	14,836
Deferred Amount Related to Pension	78,263	-	-	78,263
Total Deferred Inflows of Resources	93,099	-	-	93,099
NET POSITION				
Net Investment in Capital Assets	(111,724)	-	-	(111,724)
Unrestricted	(294,267)	593,239	1,327,742	1,626,714
Total Net Position	(405,991)	593,239	1,327,742	1,514,990
Total Liabilities, Deferred Inflows, and Net Position	$ 1,284,697	$ 2,168,635	$ 2,521,938	$ 5,975,270

CITY OF DECATUR, ILLINOIS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019

	Fleet Maintenance Fund	Risk Management Fund	Employee Benefit Insurance Fund	Total
OPERATING REVENUES				
Charges for Services	$ 2,488,101	$ 3,300,072	$ 7,974,354	$ 13,762,527
Payroll Deductions/Retiree Contributions	-	-	2,285,361	2,285,361
Other Revenue	2,877	-	138,771	141,648
Total Operating Revenues	2,490,978	3,300,072	10,398,486	16,189,536
OPERATING EXPENSES				
Personnel Services	671,972	159,773	-	831,745
Contractual Services	396,702	245,170	862,269	1,504,141
Supplies	972,503	11,122	-	983,625
Insurance and Other Charges	490,327	1,682,099	9,248,780	11,421,206
Depreciation	98,474	-	-	98,474
Total Operating Expenses	2,629,978	2,098,164	10,111,049	14,839,191
OPERATING INCOME (LOSS)	(139,000)	1,201,908	287,437	1,350,345
NONOPERATING REVENUES (EXPENSES)				
Interest and Other Charges	(20,449)	-	-	(20,449)
Investment Income	-	24,074	28,715	52,789
Gain on Disposal of Assets	(909,866)	-	-	(909,866)
Total Nonoperating Revenues (Expenses)	(930,315)	24,074	28,715	(877,526)
INCOME (LOSS) BEFORE TRANSFERS	(1,069,315)	1,225,982	316,152	472,819
TRANSFERS				
Transfers Out	488,275	-	-	488,275
NET INCOME (LOSS)	(1,557,590)	1,225,982	316,152	(15,456)
Net Position - Beginning of Year	1,151,599	(632,743)	1,011,590	1,530,446
NET POSITION - END OF YEAR	$ (405,991)	$ 593,239	$ 1,327,742	$ 1,514,990

CITY OF DECATUR, ILLINOIS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019

	Fleet Maintenance Fund	Risk Management Fund	Employee Benefit Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Charges for Services	$ 2,491,307	$ 3,300,072	$ 10,398,486	$ 16,189,865
Cash Paid to Suppliers for Goods and Services	(1,852,978)	(2,907,604)	(10,074,343)	(14,834,925)
Cash Paid to Employees	(628,459)	-	-	(628,459)
Net Cash Provided (Used) by Operating Activities	9,870	392,468	324,143	726,481
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from the Sale of Property, Plant, and Equipment	209	-	-	209
Principal Payment on Debt	(38,397)	-	-	(38,397)
Interest Payments and Other Charges	(20,615)	-	-	(20,615)
Net Cash Used by Capital and Related Financing Activities	(58,803)	-	-	(58,803)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	-	24,074	28,715	52,789
NET INCREASE (DECREASE) IN CASH	(48,933)	416,542	352,858	720,467
Cash - Beginning of Year	165,384	1,586,610	2,169,080	3,921,074
CASH - END OF YEAR	$ 116,451	$ 2,003,152	$ 2,521,938	$ 4,641,541
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ (139,000)	$ 1,201,908	$ 287,437	$ 1,350,345
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	98,474	-	-	98,474
Effects of Changes in Operating Assets and Liabilities:				
Receivables	329	-	-	329
Prepaids	-	(78,449)	-	(78,449)
Inventories	(4,466)	-	-	(4,466)
Accounts Payable	11,020	(730,991)	36,706	(683,265)
Other Current Liabilities	1,381	-	-	1,381
Other Post-Employment Benefits (OPEB)	37,493	-	-	37,493
Deferred Outflows-Pension	(260,131)	-	-	(260,131)
Deferred Outflows-OPEB	(2,697)	-	-	(2,697)
Net Pension Liability	486,583	-	-	486,583
Deferred Inflows-Pension	(181,457)	-	-	(181,457)
Deferred Inflows-OPEB	(37,659)	-	-	(37,659)
Net Cash Provided (Used) by Operating Activities	$ 9,870	$ 392,468	$ 324,143	$ 726,481

VII Supplementary Information

Fiduciary Funds

CITY OF DECATUR, ILLINOIS
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2019

Fiduciary Funds are used to account for resources received and held by a governmental unit as agent or trustee for individuals, private organizations, or other governments.

The City has one type of Fiduciary Fund: Pension Trust Fund.

The Fire Pension Fund and the Police Pension Fund account for activities as prescribed by the statutes of the State of Illinois.

CITY OF DECATUR, ILLINOIS
PENSION TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2019

	Police Pension Fund	Fire Pension Fund	Total
ASSETS			
Cash and Short-Term Investments	$ 3,052,817	$ 6,240,621	$ 9,293,438
Accrued Interest	239,382	152,239	391,621
Long-Term Investments, at Fair Value:			
U.S. Government Obligations	24,817,436	12,860,248	37,677,684
Mutual Funds	53,099,386	45,611,000	98,710,386
Common Stock	21,436,484	8,779,512	30,215,996
Annuities	-	150,758	150,758
Municipal Bonds	1,426,441	1,311,810	2,738,251
Corporate Bonds	13,510,118	10,297,984	23,808,102
Total Long-Term Investments	114,289,865	79,011,312	193,301,177
Total Assets	$ 117,582,064	$ 85,404,172	$ 202,986,236
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable	$ 55,061	$ 6,280	$ 61,341
NET POSITION			
Net Position Restricted for Pensions	117,527,003	85,397,892	202,924,895
Total Liabilities and Net Position	$ 117,582,064	$ 85,404,172	$ 202,986,236

CITY OF DECATUR, ILLINOIS
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019

	Police Pension Fund	Fire Pension Fund	Total
ADDITIONS			
Contributions:			
Employer	$ 4,990,829	$ 5,632,583	$ 10,623,412
Plan Member	1,271,107	884,903	2,156,010
Miscellaneous Revenue	615	2,464	3,079
Total Contributions	6,262,551	6,519,950	12,782,501
Investment Earnings:			
Interest and Dividends	1,207,763	710,611	1,918,374
Net Increase in the Fair Value of Investments	17,706,137	12,253,659	29,959,796
Total Investment Income	18,913,900	12,964,270	31,878,170
Less: Investment Expense	273,536	170,253	443,789
Net Investment Income	18,640,364	12,794,017	31,434,381
Total Additions	24,902,915	19,313,967	44,216,882
DEDUCTIONS			
Benefits and Refunds	8,413,716	8,140,695	16,554,411
Administrative Expense	106,538	75,704	182,242
Total Deductions	8,520,254	8,216,399	16,736,653
Change in Net Position	16,382,661	11,097,568	27,480,229
Net Position - Beginning of Year	101,144,342	74,300,324	175,444,666
NET POSITION - END OF YEAR	$ 117,527,003	$ 85,397,892	$ 202,924,895

VIII Statistical Section

CITY OF DECATUR, ILLINOIS
STATISTICAL SECTION
DECEMBER 31, 2019

This part of the City of Decatur's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information informs about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Pension Information

These schedules offer statistics related to the City's pension plans.

Demographic and Economic Information

These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

City of Decatur, Illinois
Net Position by Component
Most Recent Fiscal Years ($'s whole)

	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
Governmental Activities											
Net investment in capital assets	14,982,634	15,721,174	19,474,067	21,768,332	17,734,425	62,584,346	61,778,472	60,818,124	63,189,005	63,174,639	63,799,440
Restricted	4,751,759	27,950,290	7,846,041	5,631,695	12,177,075	10,059,536	9,386,456	6,002,253	9,074,227	17,608,637	10,215,583
Unrestricted	15,153,850	(9,682,408)	4,923,072	3,325,134	2,161,486	4,109,382	(105,290,440)	(109,018,244)	(117,765,277)	(131,572,203)	(122,173,290)
Total governmental activities net position	34,888,243	33,989,056	32,243,180	30,725,161	32,072,986	76,753,264	(34,125,512)	(42,197,867)	(45,502,045)	(50,788,927)	(48,158,267)
Business-type activities											
Net investment in capital assets	56,063,710	52,810,641	46,571,347	43,816,191	35,140,888	3,198,630	6,161,938	9,023,087	14,453,717	21,071,574	17,880,969
Unrestricted	16,129,718	15,538,406	12,388,196	7,598,072	15,833,621	7,973,738	11,464,957	19,552,491	18,433,420	20,002,133	32,514,926
Total business-type activities net position	72,193,428	68,349,047	58,959,543	51,414,263	50,974,509	11,172,368	17,626,895	28,575,578	32,887,137	41,073,707	50,395,895
Primary government											
Net investment in capital assets	71,046,344	68,531,815	66,045,414	65,584,523	52,875,313	65,782,976	67,940,410	69,841,211	77,642,722	84,246,213	81,680,409
Restricted	4,751,759	27,950,290	7,846,041	5,631,695	12,177,075	10,059,536	9,386,456	6,002,253	9,074,227	17,608,637	10,215,583
Unrestricted	31,283,568	5,855,998	17,311,268	10,923,206	17,995,107	12,083,120	(93,825,483)	(89,465,753)	(99,331,857)	(111,570,070)	(89,658,364)
TOTAL PRIMARY GOVERNMENT ACTIVITIES NET POSITION	107,081,671	102,338,103	91,202,723	82,139,424	83,047,495	87,925,632	(16,498,617)	(13,622,289)	(12,614,908)	(9,715,220)	2,237,628

Note 1: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.
Note 2: Net position at December 31, 2013 includes restatement of net position increase in governmental activities with corresponding decrease in business activities as a result of reclassification of one non-major enterprise fund from business type to governmental type unrestricted net position and the reclassification of general obligation bond debt from governmental to business type activity.
Note 3: Net position at December 31, 2015 reflects the implementation of GASB 67 and 68.
Note 4: Net position at December 31, 2017 reflects the implementation of GASB 75.
Source: Comprehensive Annual Financial Report for relevant fiscal year.

City of Decatur, Illinois
Statement of Activities and Change in Net Position
Most Recent Fiscal Years ($'s whole)

	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
EXPENSES											
Governmental Activities											
General Government	10,469,200	11,735,004	13,692,390	14,693,051	8,318,866	12,159,290	12,850,651	12,675,556	12,752,905	10,965,571	11,384,019
Economic Development								2,950,916	3,948,538	2,949,475	3,806,876
Public Safety	38,406,935	35,477,795	41,416,933	38,834,959	29,422,201	40,664,492	49,909,807	47,104,920	48,904,535	44,498,772	52,833,707
Public Works	17,190,569	19,443,483	13,846,451	17,199,373	10,877,524	14,579,926	14,575,459	14,180,746	14,950,486	19,805,154	10,701,228
Culture	4,359,055	4,514,057	3,770,113	3,622,804	2,518,155	286,764	295,433	551,580	568,481	107,556	93,019
Education						3,595,829	3,294,285	4,281,706	3,906,273	4,362,304	5,218,190
Transporation											490,607
Interest on Debt	3,434,867	3,332,503	4,508,919	4,113,553	2,264,985	1,247,293	1,550,600	1,474,346	1,466,938	2,056,365	1,931,504
Debt Issuance Costs											148,587
Total governmental activities expenses	73,860,626	74,502,842	77,234,806	78,463,740	53,401,731	72,533,594	82,476,235	83,219,770	86,498,156	84,745,197	86,607,737
Business-type activities											
Water	15,017,552	13,631,171	13,312,583	14,576,678	9,663,567	18,504,972	20,365,069	22,732,240	22,635,554	23,757,319	25,605,355
Parking	745,510	509,932									
Mass Transit	5,994,281	6,626,503	6,542,694	6,151,784	4,230,742	6,790,731	6,717,111	7,181,756	7,550,679	8,345,210	7,526,662
Fiber optics									21,245	81,827	104,291
Housing programs	10,986	6,633	96,422	6,770	9,979						
Waste removal	545,302	556,721	1,238,284	584,028	405,409	640,461	600,997	642,358	664,718	636,716	682,558
Hotel	46,531										
Storm Water						19,072	453,816	960,507	895,461	882,248	1,225,809
Sewer	1,890,168	1,317,412	1,872,785	1,900,376	1,507,017	3,111,645	3,361,311	3,326,538	3,992,577	4,629,813	4,017,582
Total business-type activities expenses	24,250,330	22,648,372	23,062,768	23,219,636	15,816,714	29,066,881	31,498,304	34,843,399	35,760,234	38,333,133	39,162,257
TOTAL PRIMARY GOVERNMENT EXPENSES	98,110,956	97,151,214	100,297,574	101,683,376	69,218,445	101,600,475	113,974,539	118,063,169	122,258,390	123,078,330	125,769,994
PROGRAM REVENUES											
Governmental activities											
Charges for services											
General government	1,907,784	1,693,970	2,398,906	2,541,123	4,339,647	8,329,813	9,103,166	9,518,090	9,835,469	8,761,600	9,167,449
Public safety	471,925	420,751	433,184	577,676	367,370	306,746	237,031	594,272	658,407	308,143	241,072
Other activities	194,837	178,940	132,433	71,112	39,634	203,551	189,276	151,858	46,408	36,937	26,880
Operating grants and contributions	6,030,644	10,093,544	6,815,292	4,425,861	2,652,299	4,903,661	3,601,072	4,755,423	5,862,658	1,863,875	4,306,671
Capital grants and contributions		33,120				1,140,122	1,299,409	673,194	1,000,000	392,178	1,673,656
Total governmental activities program revenues	8,605,190	12,420,325	9,779,815	7,615,772	7,398,950	14,883,893	14,429,954	15,692,837	17,402,942	11,362,733	15,415,728
Business-type activities											
Charges for services											
Water	13,690,334	17,008,482	15,284,540	15,102,613	14,848,584	21,330,788	26,726,719	29,830,034	29,859,921	30,882,324	30,970,305
Other activities	3,518,967	3,753,099	3,651,584	4,247,649	3,295,331	5,385,211	7,351,365	7,617,242	7,737,067	9,066,938	9,281,035
Operating grants and contributions	9,433,023	4,290,027	5,722,143	5,025,518	3,170,028	6,033,830	6,197,601	5,892,767	7,181,110	7,695,142	9,679,397
Capital grants and contributions		1,605,270							116,334	-	-
Total business-type activities program revenues	26,642,324	26,656,878	24,658,267	24,375,780	21,313,943	32,749,829	40,275,685	43,340,043	44,894,432	47,644,404	49,930,737
TOTAL PRIMARY GOVERNMENT REVENUES	35,247,514	39,077,203	34,438,082	31,991,552	28,712,893	47,633,722	54,705,639	59,032,880	62,297,374	59,007,137	65,346,465

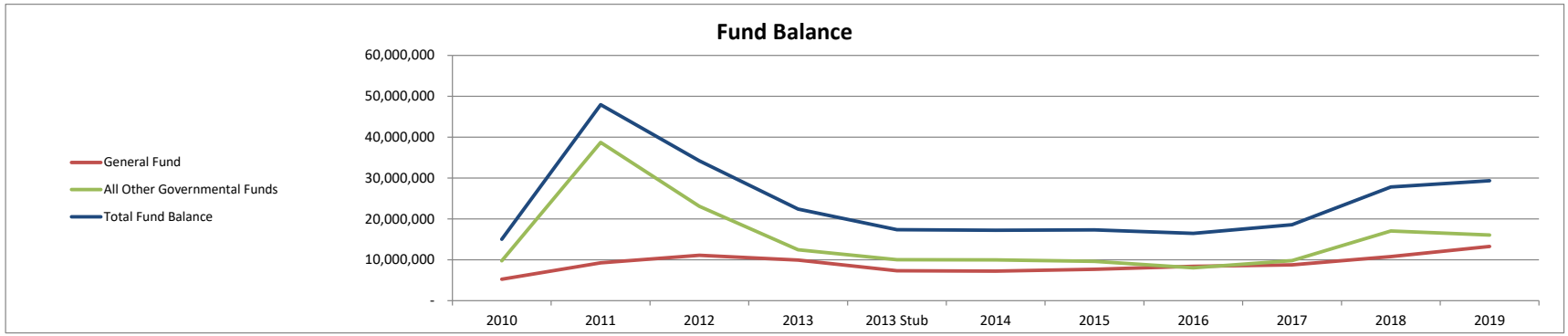
City of Decatur, Illinois
Statement of Activities and Change in Net Position
Most Recent Fiscal Years ($'s whole)

	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
NET (EXPENSE) REVENUE											
Governmental activities	(65,255,436)	(62,082,517)	(67,454,991)	(70,847,968)	(46,002,782)	(57,649,701)	(68,046,281)	(67,526,933)	(69,095,214)	(73,382,464)	(71,192,009)
Business-type activities	2,391,994	4,008,506	1,595,499	1,156,144	5,497,229	3,682,948	8,777,381	8,496,644	9,134,198	9,311,271	10,768,480
TOTAL PRIMARY GOVERNMENT NET EXPENSE	(62,863,442)	(58,074,011)	(65,859,492)	(69,691,824)	(40,505,553)	(53,966,753)	(59,268,900)	(59,030,289)	(59,961,016)	(64,071,193)	(60,423,529)
General Revenues and Other Changes in Net Position											
Governmental activities											
Taxes											
Property taxes	12,582,958	13,337,710	13,513,648	13,493,391	13,394,261	13,545,241	13,512,949	15,546,929	16,007,673	15,360,391	17,072,216
Sales and use taxes	21,585,950	22,975,574	23,919,621	22,917,247	14,924,647	23,533,100					
Income taxes	6,028,973	6,797,068	6,192,641	7,398,372	4,500,441	7,302,638					
Utility taxes	5,366,459	5,268,016	5,310,600	5,289,523	3,301,575	4,814,468	4,684,705	7,489,097	7,424,870	7,521,376	7,234,436
Food and beverage taxes	3,081,976	2,806,014	3,093,186	3,049,941	2,098,028	3,026,151	3,209,143	3,195,648	3,256,550	3,293,553	3,361,423
Hotel and motel taxes	677,313	498,812	711,053	590,985	421,053	640,697	666,384	697,601	806,373	945,345	1,010,988
Local sales and use taxes							11,950,201	11,848,821	11,904,856	12,340,714	12,800,711
Motor fuel taxes								1,399,777	1,816,894	1,816,245	1,902,833
Other taxes	1,435,493	1,596,000	1,141,429	1,509,093	1,646,831	2,589,730	3,011,048	2,545,850	2,636,706	4,717,264	5,831,765
Intergovernmental (state sales and income tax)							20,862,321	17,630,799	18,401,263	18,810,796	19,638,017
Investment earnings	136,092	164,803	239,646	237,961	7,644	110,413	6,923	35,720	76,893	226,065	571,662
Miscellaneous	529,756	605,759	2,051,932	6,113,975	2,224,667	3,068,767	1,851,205	2,174,572	2,520,340	1,224,156	1,952,942
Transfers	7,711,457	7,133,574	11,093,160	8,729,461	5,938,564	1,862,197	2,653,609	(2,044,301)	4,508,001	1,839,677	2,445,676
Total governmental activities	59,136,427	61,183,330	67,266,916	69,329,949	48,457,711	60,493,402	62,408,488	60,520,513	69,360,419	68,095,582	73,822,669
Business-type activities											
Property taxes											
Investment earnings	415,711	97,133	91,842	28,037	1,581	209,608	297,922	407,738	541,631	749,915	979,132
Miscellaneous	101,850	(816,446)	16,315			4,077	(228,084)		104,244	(34,939)	20,252
Transfers	(7,711,457)	(7,133,574)	(11,093,160)	(8,729,461)	(5,938,564)	(1,862,197)	(2,653,609)	2,044,301	(4,508,001)	(1,839,677)	(2,445,676)
Total business-type activities	(7,193,896)	(7,852,887)	(10,985,003)	(8,701,424)	(5,936,983)	(1,648,512)	(2,583,771)	2,452,039	(3,862,126)	(1,124,701)	(1,446,292)
TOTAL PRIMARY GOVERNMENT	51,942,531	53,330,443	56,281,913	60,628,525	42,520,728	58,844,890	59,824,717	62,972,552	65,498,293	66,970,881	72,376,377
CHANGE IN NET POSITION											
Governmental activities	(6,119,009)	(899,187)	(188,075)	(1,518,019)	2,454,929	2,843,701	(5,637,793)	(7,006,420)	265,205	(5,286,882)	2,630,660
Business-type activities	(4,801,902)	(3,844,381)	(9,389,504)	(7,545,280)	(439,754)	2,034,436	6,193,610	10,948,683	5,272,072	8,186,570	9,322,188
TOTAL PRIMARY GOVERNMENT	(10,920,911)	(4,743,568)	(9,577,579)	(9,063,299)	2,015,175	4,878,137	555,817	3,942,263	5,537,277	2,899,688	11,952,848

Note 1: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.
Note 2: Net position at December 31, 2013 includes restatement of net position increase in governmental activities with corresponding decrease in business activities as a result of reclassification of one non-major enterprise fund from business type to governmental type unrestricted net position and the reclassification of general obligation bond debt from governmental to business type activity.
Note 3: Fiscal years 2015 reclassified State Sales, State Income Tax, Local Sales Tax and Local Use Tax.
Source: Comprehensive Annual Financial Report for relevant fiscal year.

City of Decatur, Illinois
Fund Balances of Governmental Funds
Most Recent Fiscal Years ($'s whole)

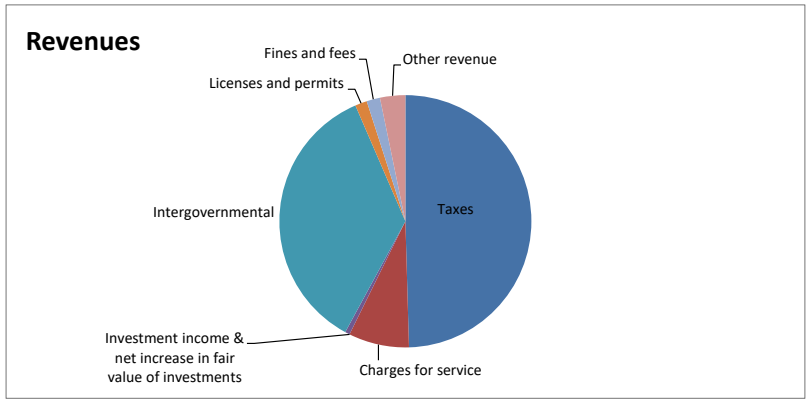
	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
			Note 1								
General Fund											
Nonspendable			23,407	25,596	26,416	27,303	27,165	147,132	489,142	820,853	512,569
Restricted			89,754	1,847							
Unassigned			10,996,973	9,906,565	7,311,171	7,201,807	7,646,538	8,242,880	8,270,608	9,957,208	12,747,012
Reserved	301,594	845,847									
Unreserved	4,953,635	8,429,614									
Total general fund	5,255,229	9,275,461	11,110,134	9,934,008	7,337,587	7,229,110	7,673,703	8,390,012	8,759,750	10,778,061	13,259,581
All other governmental funds											
Nonspendable					34,192	8,341			3,200	3,280	3,280
Restricted			22,533,206	13,159,972	9,976,688	9,861,038	9,254,618	6,985,109	9,195,557	17,911,773	15,602,336
Assigned			754,957								
Unassigned			(183,387)	(702,682)		(64,508)	(146,092)	(107,221)	(275,641)	(1,720,932)	(1,147,528)
Reserved	5,297,531	12,800,837									
Committed						183,001	518,273	1,177,478	887,397	852,906	1,618,081
Unreserved reported in:											
Special revenue funds	3,344,042	7,355,646									
Capital projects funds	1,107,713	18,537,635									
Total all other governmental funds	9,749,286	38,694,118	23,104,776	12,457,290	10,010,880	9,987,872	9,626,799	8,055,366	9,810,513	17,047,027	16,076,169
TOTAL FUND BALANCE	15,004,515	47,969,579	34,214,910	22,391,298	17,348,467	17,216,982	17,300,502	16,445,378	18,570,263	27,825,088	29,335,750

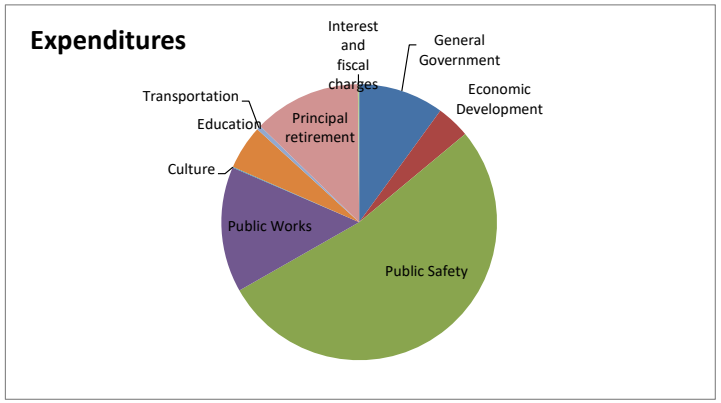


Note 1: Reporting change the result of Implementation of GASB 54 with the fiscal year ending April 30, 2012
Note 2: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013.
Fiscal years 2014 and forward are January to December.
Source: Comprehensive Annual Financial Report for relevant fiscal year.

City of Decatur, Illinois
Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds
Most Recent Fiscal Years ($'s whole)

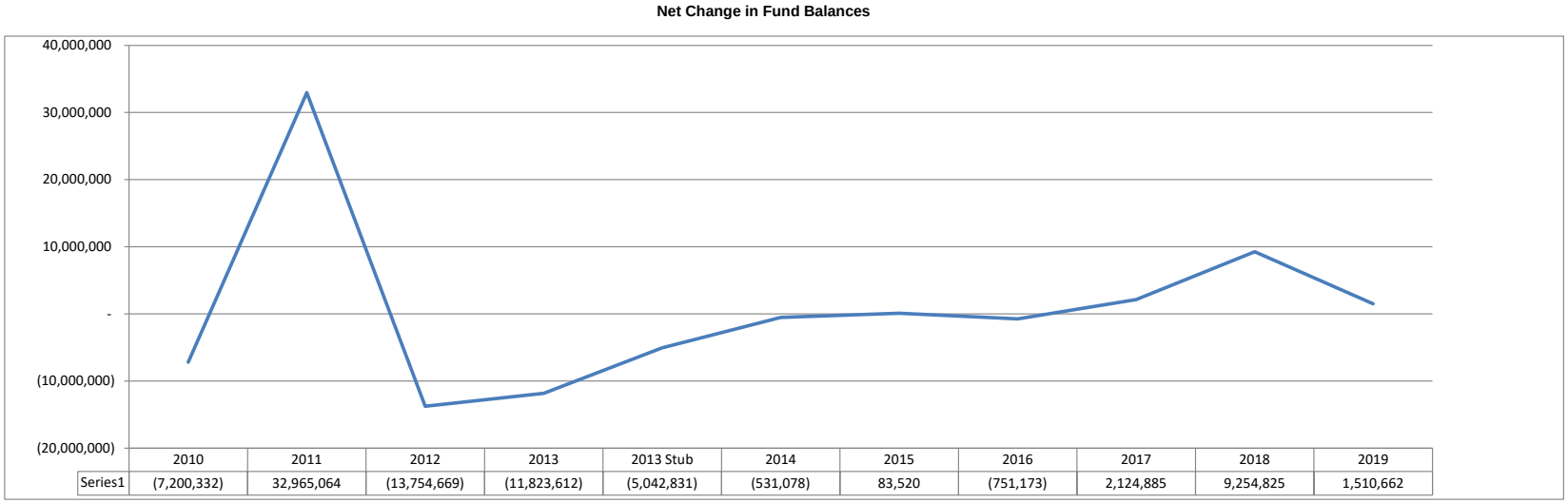
	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
Revenues											
Taxes	21,708,706	21,910,552	22,628,487	22,484,576	26,189,719	35,055,074	35,116,746	39,518,263	40,562,624	40,348,550	42,421,023
Charges for service	94,978	83,722	622,614	727,376	2,998,948	5,882,463	6,817,347	7,518,858	7,762,832	6,271,779	6,651,900
Investment income & net increase in fair value of investments	81,064	36,891	217,062	230,394	6,676	108,684	5,419	25,888	66,609	198,073	518,873
Intergovernmental	32,901,498	41,808,973	37,879,127	36,310,372	17,059,866	25,286,186	25,523,543	26,563,642	28,774,193	26,435,591	30,467,776
Licenses and permits	743,221	659,054	752,854	734,747	607,026	737,684	857,174	1,002,264	1,185,109	1,284,029	1,306,823
Fines and fees	1,736,347	1,550,885	1,589,055	1,727,788	1,140,677	2,219,963	1,854,952	1,743,097	1,592,343	1,550,872	1,476,678
Other revenue	429,582	819,179	2,470,315	3,175,013	2,146,447	3,068,767	1,666,208	2,114,408	2,483,495	2,501,877	2,775,943
Total revenues	57,695,396	66,869,256	66,159,514	65,390,266	50,149,359	72,358,821	71,841,389	78,486,420	82,427,205	78,590,771	85,619,016
Expenditures											
General Government	13,007,676	13,573,156	12,369,181	13,003,747	7,454,390	10,858,506	11,226,048	10,764,852	10,808,083	9,069,176	9,681,076
Economic Development								2,950,916	3,948,538	2,949,475	3,806,876
Public Safety	36,451,503	34,845,020	38,113,003	39,136,143	29,766,067	43,908,692	43,052,390	43,885,346	47,609,789	46,246,959	50,967,485
Culture	3,950,374	3,468,406	3,742,754	3,866,845	2,486,678	79,679	89,252	556,674	566,949	94,374	92,903
Public Works	14,173,622	16,730,343	25,874,325	21,049,550	14,787,744	14,305,973	13,986,745	12,644,198	14,881,435	15,375,543	14,205,178
Education						3,590,771	3,332,483	3,639,593	3,748,014	4,265,783	5,006,311
Transportation											490,607
Debt Service											
Principal retirement	2,700,995	10,723,029	3,683,643	32,965,000	3,725,000	2,643,868	2,384,488	3,084,879	4,215,162	6,033,587	12,147,575
Interest and other charges	3,404,887	3,410,443	5,112,958	4,283,320	2,971,098	1,533,390	1,482,590	1,455,719	1,407,242	1,482,501	1,949,401
Bond Issuance Costs											148,587
Total expenditures	73,689,057	82,750,397	88,895,864	114,304,605	61,190,977	76,920,879	75,553,996	78,982,177	87,185,212	85,517,398	98,495,999
Deficiency of revenues over expenditures	(15,993,661)	(15,881,141)	(22,736,350)	(48,914,339)	(11,041,618)	(4,562,058)	(3,712,607)	(495,757)	(4,758,007)	(6,926,627)	(12,876,983)





City of Decatur, Illinois
Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds
Most Recent Fiscal Years ($'s whole)

	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
Other Financing Sources											
Sale of assets	78,694	83,217	71,239	15,172	53,877	11,775	48,221	85,411	30,083	19,796	90,556
Bond & loan proceeds	250,000	41,381,208	-	28,080,658	-	1,625,358	1,369,277	1,703,474	2,344,808	14,321,979	11,363,138
Transfers in	12,242,983	11,252,494	13,318,967	13,558,587	9,359,659	4,531,061	3,566,728	2,035,034	5,188,382	3,373,714	4,905,428
Transfers out	(3,778,348)	(3,870,714)	(4,408,525)	(4,563,690)	(3,414,749)	(2,137,214)	(1,188,099)	(4,079,335)	(680,381)	(1,534,037)	(1,971,477)
Total other financing sources	8,793,329	48,846,205	8,981,681	37,090,727	5,998,787	4,030,980	3,796,127	(255,416)	6,882,892	16,181,452	14,387,645
NET CHANGE IN FUND BALANCES	(7,200,332)	32,965,064	(13,754,669)	(11,823,612)	(5,042,831)	(531,078)	83,520	(751,173)	2,124,885	9,254,825	1,510,662
Capital Outlay	6,357,189	4,937,640	17,452,588	12,912,591	7,001,582	6,765,634	5,665,335	4,985,664	7,233,091	8,337,619	10,487,035
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	9.07%	18.16%	12.31%	36.74%	12.36%	5.95%	5.53%	6.14%	7.03%	9.74%	16.19%



Note 1: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January and December.

Note 2: Net position at December 31, 2013 includes restatement of net position increase in governmental activities with corresponding decrease in business activities as a result of reclassification of one non-major enterprise fund from business type to governmental type unrestricted net position and the reclassification of general obligation bond debt from governmental to business type activity.

Source: Comprehensive Annual Financial Report for relevant fiscal year.

City of Decatur, Illinois
State Distributed and Locally Collected Tax Revenues
Most Recent Fiscal Years ($'s whole)

Fiscal Year	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
State Distributed Taxes											
State Sales Tax	10,574,854	11,281,868	11,446,917	11,422,817	7,316,428	11,477,601	11,654,760	11,241,506	11,052,132	11,328,832	11,423,564
Local Sales Tax	9,903,182	10,469,019	10,890,188	10,731,110	6,618,214	10,540,198	10,359,805	10,058,133	9,950,270	10,024,104	10,239,908
State Income Tax	5,289,505	7,004,698	5,621,265	8,022,579	5,068,148	7,286,357	8,039,696	7,470,934	7,843,458	7,289,905	8,102,353
Telephone Utility Tax	2,933,054	2,665,242	2,601,713	2,664,872	1,583,423	2,165,918	2,070,031	1,980,913	1,774,445	1,635,038	1,555,775
Motor Fuel Tax	2,051,807	2,079,526	1,922,875	1,829,533	1,235,376	1,884,548	1,880,878	1,929,331	1,953,992	1,951,262	2,328,434
Local Use Tax	978,506	1,127,876	1,125,551	1,212,494	812,432	1,420,091	1,505,880	1,943,083	1,922,797	2,130,355	2,488,443
State Replacement Tax	1,275,941	1,407,353	1,269,825	1,269,858	815,119	1,404,809	1,505,959	1,333,328	1,397,658	1,268,855	1,575,600
Video Gaming Tax				34,827	196,877	539,548	836,212	1,116,081	1,273,944	1,431,687	1,570,755
Locally Collected Taxes											
Food & Beverage Tax	2,893,444	2,987,815	3,094,227	3,063,891	2,055,764	3,060,481	3,167,837	3,260,918	3,223,082	3,282,137	3,365,971
Utility Tax	1,565,000	1,622,691	1,535,559	1,669,896	981,986	1,641,634	1,483,186	4,205,747	4,587,334	4,911,827	4,719,372
Local Motor Fuel Tax								1,249,034	1,818,235	1,806,397	1,901,087
Cable TV Tax	901,782	993,298	801,626	1,354,071	573,085	1,081,560	1,097,781	1,084,913	1,063,613	1,011,044	1,003,232
Hotel Use Tax	555,277	601,716	716,136	599,436	444,313	649,787	675,211	690,077	797,500	925,034	1,025,195
TOTAL	38,922,352	42,241,102	41,025,882	43,875,384	27,701,165	43,152,532	44,277,236	47,563,998	48,658,460	48,996,477	51,299,689

Note 1: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.
Source: City cash basis records.

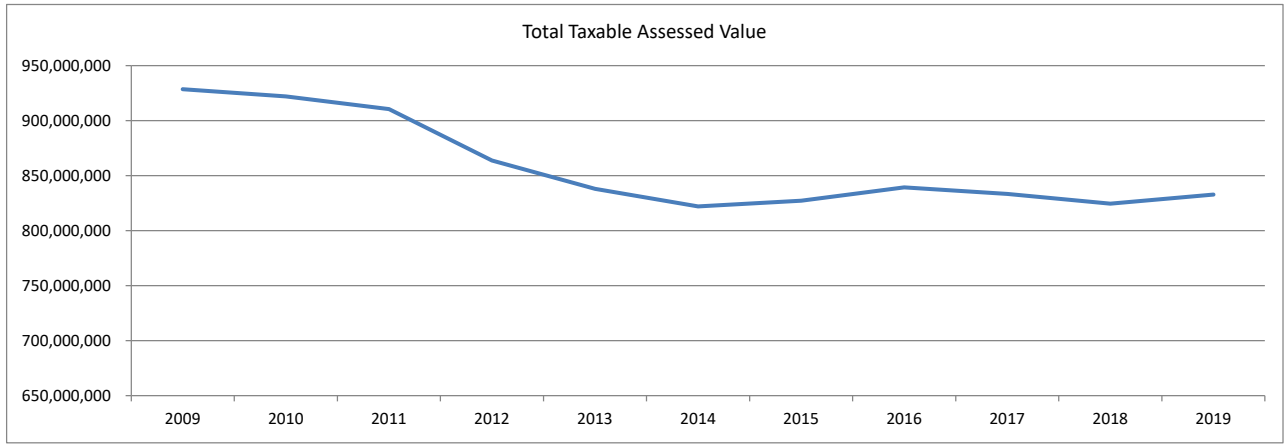
Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source.

City of Decatur, Illinois
Taxable Assessed Value, Taxable Value and Tax Collections
Most Recent Fiscal Years ($'s whole)

Property Assessment and Tax Information

Property Tax Levy Year	Fiscal Year Ended	Residential Property	Farm Property	Commercial Property	Industrial Property	Railway Property	Total Taxable Assessed Value	Total Direct Tax Rate	Actual Taxable Value	Actual Tax Collections
2009	4/30/2011	551,989,415	4,138,561	281,419,404	75,337,243	15,659,186	928,543,809	1.21669	11,297,500	11,171,844
2010	4/30/2012	548,353,414	4,164,049	276,665,805	76,914,168	16,057,363	922,154,799	1.24353	11,467,272	11,314,203
2011	4/30/2013	529,131,249	4,139,930	287,334,321	72,810,525	17,217,745	910,633,770	1.29049	11,751,638	11,414,665
2012	12/31/2013	514,265,875	3,847,673	260,266,346	68,222,744	17,230,871	863,833,509	1.36044	11,751,936	11,374,809
2013	12/31/2014	498,132,967	3,874,516	255,201,842	64,833,161	16,055,123	838,097,609	1.40607	11,784,238	11,619,217
2014	12/31/2015	488,279,318	3,804,663	251,671,836	62,520,042	15,876,905	822,152,764	1.43527	11,800,112	11,606,976
2015	12/31/2016	486,890,202	4,091,129	256,543,471	62,939,380	16,762,909	827,227,091	1.63498	13,524,998	13,368,247
2016	12/31/2017	493,960,507	4,179,399	262,338,524	62,736,200	16,082,358	839,296,988	1.65177	13,863,257	13,729,015
2017	12/31/2018	489,602,730	5,211,462	259,959,243	63,214,295	15,369,985	833,357,715	1.66519	13,876,990	13,799,195
2018	12/31/2019	480,144,410	4,273,115	260,075,465	63,799,840	16,251,841	824,544,671	1.68302	13,877,253	13,733,299
2019	12/31/2020	490,454,850	4,782,824	259,618,410	63,223,426	14,764,193	832,843,703	1.70346	14,187,159	not yet available



Note 1: Actual tax collections reported is the civil city only and excludes tax receipts from Tax Increment Financing Districts or Special Assessments.
Note 2: Tax levy adopted by Council before December 31 of year, with tax billed and collected in subsequent calendar year.

Source: Office of the Macon County Clerk/Office of the Macon County Supervisor of Assessments

City of Decatur, Illinois
Property Tax Rates - Direct and Overlapping
Governmental Units
Most Recent Fiscal Years

Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fiscal Year Ended	4/30/2011	4/30/2012	4/30/2013	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
City of Decatur	1.21669	1.24353	1.29049	1.36044	1.40607	1.43527	1.63498	1.65177	1.66519	1.68302	1.70346
County of Macon	0.95288	0.95958	0.95558	0.91349	0.94732	0.98067	1.08131	1.20181	1.09882	1.10841	1.11165
Sanitary District	0.26010	0.26097	0.27517	0.31420	0.33123	0.34837	0.34658	0.37112	0.34728	0.34794	0.37583
Decatur School District	4.34873	4.28718	4.31545	4.39115	4.33259	4.42015	4.67266	4.86451	4.88163	4.90970	4.95630
Decatur Park District	1.03785	1.03791	1.03991	1.09716	1.11716	1.12049	1.15036	1.15046	1.15046	1.15047	1.18251
Decatur Township	0.28186	0.29648	0.31319	0.34025	0.35229	0.36010	0.35927	0.35275	0.34455	0.35167	0.35259
Mosquito Abatement	0.03581	0.03662	0.03555	0.03318	0.03544	0.03646	0.03748	0.03599	0.03699	0.03669	0.02874
Conservation District	0.10019	0.10150	0.10127	0.10713	0.11025	0.11405	0.11717	0.11247	0.11709	0.11500	0.11312
Mental Health	0.14253	0.14224	0.14192	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000
Macon County Health	0.10235	0.10225	0.09981	0.10260	0.10348	0.10354	0.10275	0.10066	0.10044	0.09671	0.09567
Richland Community College	0.39467	0.43246	0.47799	0.48286	0.49082	0.49243	0.54062	0.54703	0.55457	0.53027	0.53750
Cooperative Extension	0.02317	0.02382	0.02376	0.02446	0.02467	0.02468	0.02817	0.02760	0.02754	0.02667	0.02638
Total Tax Rate per $100 AV	8.89683	8.92454	9.07009	9.31692	9.40132	9.58621	10.22135	10.56617	10.47456	10.50655	10.63375
Share of Total Tax Rate Levied by City of Decatur	13.7%	13.9%	14.2%	14.6%	15.0%	15.0%	16.0%	15.6%	15.9%	16.0%	16.0%

Note: The tax rate reported is the most prevalent tax district, Decatur Township.
Source: Office of the Macon County Clerk

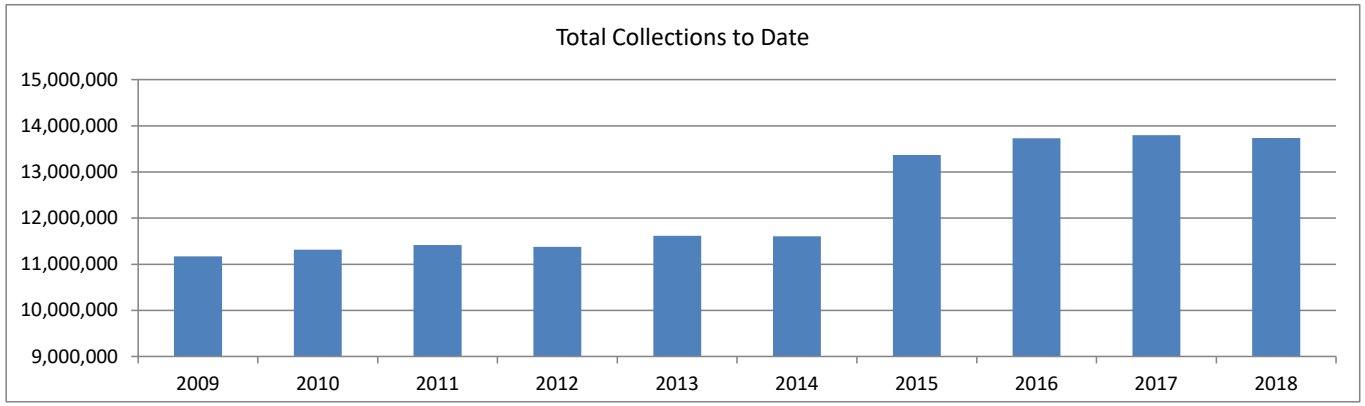
City of Decatur, Illinois
Major Property Taxpayers
as of December 31, 2019 ($'s whole)

	Current Year			Nine Years Ago		
Name of Company	2018 Assessed Valuation	Rank	Percent to Total	2009 Assessed Valuation	Rank	Percent to Total
Archer Daniels Midland Co.	25,734,137	1	3.1%	32,224,816	1	3.5%
Norfolk & Western RR (IT & Wabash)	12,536,297	2	1.5%	12,212,792	2	1.3%
Wal-Mart Stores, Inc.	7,767,217	3	0.9%	7,872,895	3	0.8%
Caterpillar Tractor Co.	6,983,530	4	0.8%	7,438,600	4	0.8%
Ameren fka Illinois Power Co	5,992,074	5	0.7%	4,553,045	8	0.5%
Ventas Inc fka LHPT Decatur/DMH Fund	5,941,776	6	0.7%	4,604,517	6	0.5%
Evergreen Hospitality/Evergreen Place	4,252,689	7	0.5%			
Parke & Son	3,905,612	8	0.5%			
Westfield Distributing	3,180,617	9	0.4%			
Niemann Holdings LLC	3,000,833	10	0.4%			
Tate & Lyle fda AE Staley Mfg. Co.				5,989,456	5	0.6%
Decatur Memorial Hospital				4,604,517	7	0.5%
Millikin University (The Woods Apts.)				3,475,342	9	0.4%
Brettwood Village Assoc				3,307,669	10	0.4%
	79,294,782		9.6%	86,283,649		9.3%
	824,544,671		100.0%	928,543,809		100.0%

Note: Assessed valuation year is same as tax levy year with tax billed and collected in the subsequent calendar year.
Source: Office of the Macon County Supervisor of Assessments

City of Decatur, Illinois
Property Tax Levy and Tax Collections
Most Recent Fiscal Years ($'s whole)

Property Tax Levy Year	Fiscal Year Ended	Taxes Levied for the Fiscal Year	Total Taxes Extended by County Collector	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2009	4/30/2011	11,297,338	11,297,500	11,171,844	99%	n/a	11,171,844	99%
2010	4/30/2012	11,467,074	11,467,272	11,314,203	99%	n/a	11,314,203	99%
2011	4/30/2013	11,751,429	11,751,637	11,414,665	97%	n/a	11,414,665	97%
2012	12/31/2013	11,751,637	11,751,936	11,374,809	97%	n/a	11,374,809	97%
2013	12/31/2014	11,784,000	11,784,238	11,619,217	99%	n/a	11,619,217	99%
2014	12/31/2015	11,800,000	11,800,112	11,606,976	98%	n/a	11,606,976	98%
2015	12/31/2016	13,524,802	13,524,998	13,368,247	99%	n/a	13,368,247	99%
2016	12/31/2017	13,863,000	13,863,257	13,729,015	99%	n/a	13,729,015	99%
2017	12/31/2018	13,876,800	13,876,990	13,073,471	94%	725,724	13,799,195	99%
2018	12/31/2019	13,877,000	13,877,253	13,733,299	99%	n/a	13,733,299	99%
2019	12/31/2020	14,187,000	14,187,159	in process	in process	n/a	in process	in process

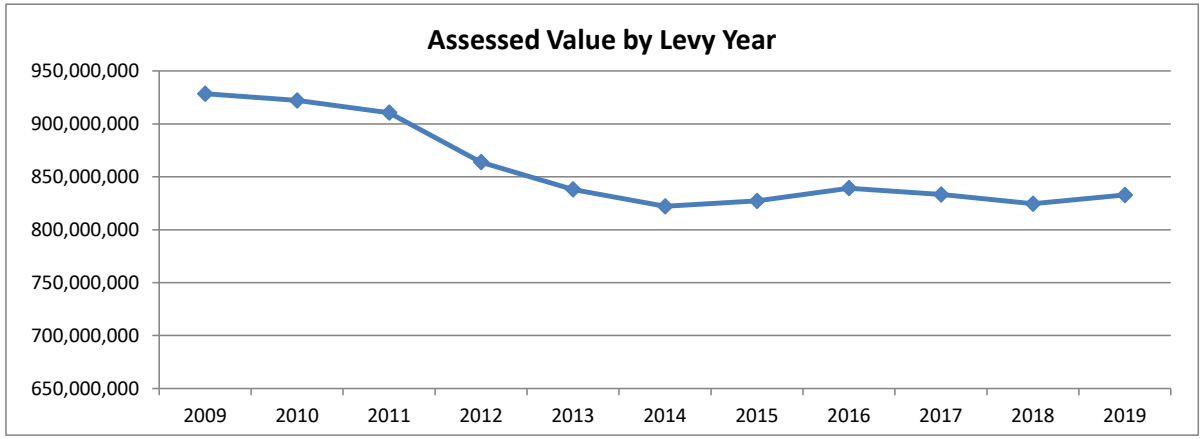


Note: Tax levy adopted by Council before December 31 of year, with tax billed and collected in subsequent calendar year.
Source: Office of the Macon County Treasurer
n/a: Macon County Treasurer's Office has been unable to separate subsequent year collections from current year in reporting to the City of Decatur since a programming change after 2006.

City of Decatur, Illinois
Assessed Value and Estimated Actual Value
of Taxable Property
Most Recent Fiscal Years ($'s whole)

REAL PROPERTY

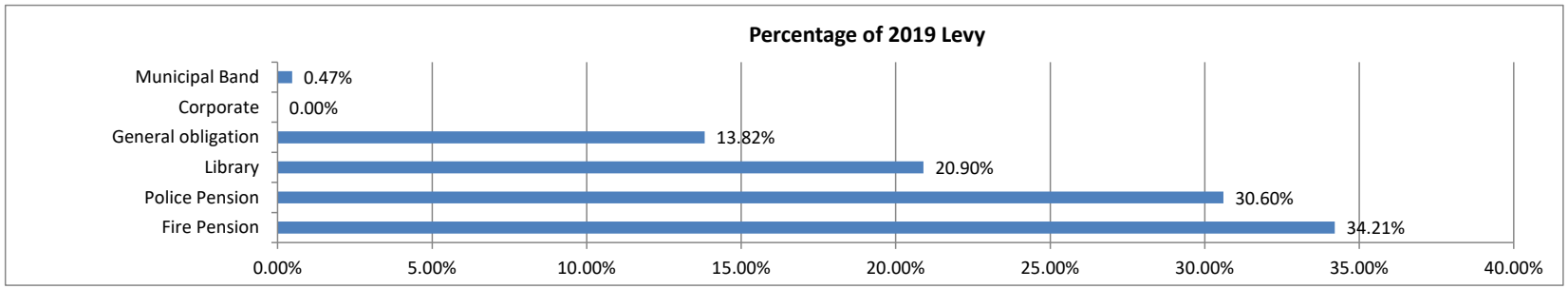
LEVY YEAR	FISCAL YEAR ENDED	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	RATIO OF ASSESSED VALUE TO TOTAL ACTUAL VALUE (1)	DIRECT RATE PER $100 ASSESSED VALUATION
2009	4/30/2011	928,543,809	2,785,631,427	33.33%	1.21669
2010	4/30/2012	922,154,799	2,766,464,397	33.33%	1.24353
2011	4/30/2013	910,633,770	2,731,901,310	33.33%	1.29049
2012	12/31/2013	863,833,509	2,591,500,527	33.33%	1.36044
2013	12/31/2014	838,097,609	2,514,292,827	33.33%	1.40607
2014	12/31/2015	822,152,764	2,466,458,292	33.33%	1.43527
2015	12/31/2016	827,227,091	2,481,681,273	33.33%	1.63498
2016	12/31/2017	839,296,988	2,517,890,964	33.33%	1.65177
2017	12/31/2018	833,357,715	2,500,073,145	33.33%	1.66519
2018	12/31/2019	824,544,671	2,473,634,013	33.33%	1.68302
2019	12/31/2020	832,843,703	2,498,531,109	33.33%	1.70346



Note 1: State of Illinois law prescribes an assessed value ratio to be no more than 33.33% of actual value
Note 2: Assessed valuation year is same as tax levy year with tax billed and collected in the subsequent calendar year.
Source: Office of the Macon County Clerk/Office of the Macon County Supervisor of Assessments.

City of Decatur, Illinois
City Government Property Tax Rates
Most Recent Fiscal Years
Rate per $100 Assessed Valuation

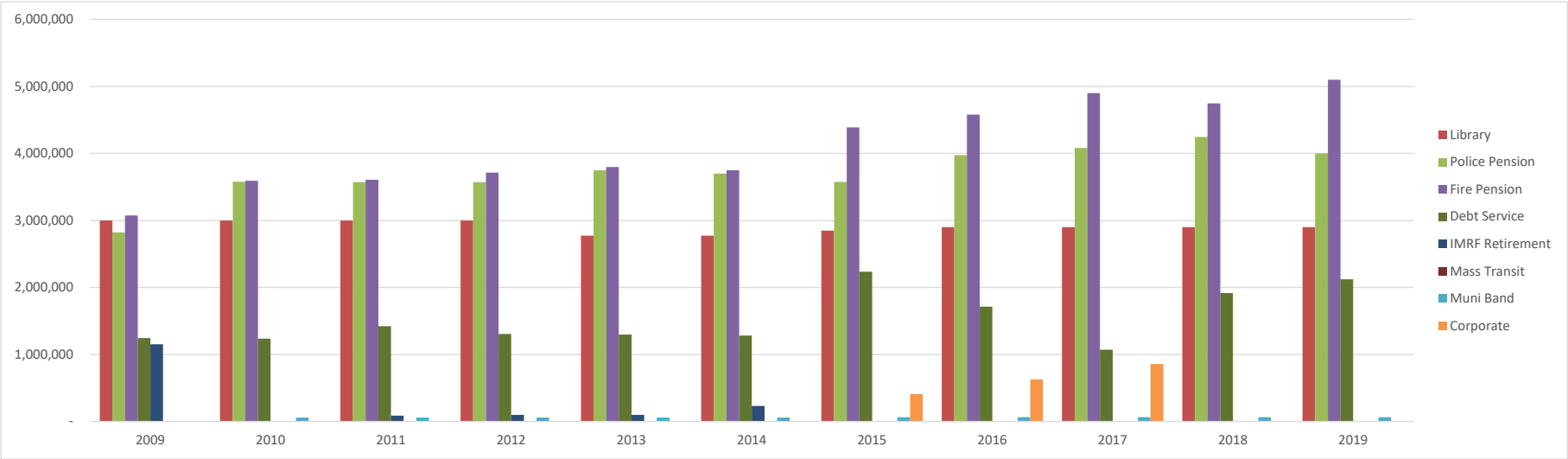
Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fiscal Year Ended	**4/30/2011**	**4/30/2012**	**4/30/2013**	**12/31/2013**	**12/31/2014**	**12/31/2015**	**12/31/2016**	**12/31/2017**	**12/31/2018**	**12/31/2019**	**12/31/2020**
PURPOSE OF FUND											
Library	0.32309	0.32533		0.34729	0.33111	0.33753	0.34453	0.34553	0.34799	0.35171	0.34821
Police Pension	0.30420	0.38792		0.41352	0.44745	0.45004	0.43217	0.47362	0.48983	0.51508	0.48029
Fire Pension	0.33104	0.38973	0.39612	0.43004	0.45341	0.45612	0.53069	0.54570	0.58799	0.57572	0.61236
Municipal Band		0.00651	0.00659	0.00695	0.00716	0.00730	0.00786	0.00775	0.00780	0.00789	0.00781
Corporate							0.04954	0.07499	0.10290		
IMRF Retirement	0.12415		0.00979	0.01154	0.01194	0.02828					
Mass Transit System											
BOND AND INTEREST											
General obligation	0.13421	0.13404	0.15628	0.15110	0.15500	0.15600	0.27019	0.20418	0.12868	0.23262	0.25479
ALL PURPOSE - TOTAL	1.21669	1.24353	0.56878	1.36044	1.40607	1.43527	1.63498	1.65177	1.66519	1.68302	1.70346
Actual Rate Extended	1.21669	1.24353	0.56878	1.36044	1.40607	1.43527	1.63498	1.65177	1.66519	1.68302	1.70346



Source: "Certificate of Tax Extension", Office of the Macon County Clerk

City of Decatur, Illinois
City Government Tax Levy
Most Recent Fiscal Years ($'s whole)

Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fiscal Year Ended	**4/30/2011**	**4/30/2012**	**4/30/2013**	**12/31/2013**	**12/31/2014**	**12/31/2015**	**12/31/2016**	**12/31/2017**	**12/31/2018**	**12/31/2019**	**12/31/2020**
PURPOSE OF FUND											
Library	3,000,032	3,000,046	3,000,083	3,000,007	2,775,025	2,775,012	2,850,046	2,900,023	2,900,002	2,900,006	2,900,045
Police Pension	2,824,630	3,577,223	3,572,053	3,572,124	3,750,067	3,700,016	3,575,027	3,975,079	4,082,036	4,247,065	4,000,065
Fire Pension	3,073,852	3,593,914	3,607,202	3,714,829	3,800,018	3,750,003	4,390,012	4,580,044	4,900,060	4,747,069	5,100,002
Municipal Band		60,032	60,011	60,036	60,008	60,017	65,020	65,045	65,002	65,057	65,045
Corporate							409,808	629,389	857,525		
IMRF Retirement	1,152,787		89,151	99,686	100,069	232,505					
Mass Transit System											
BOND AND INTEREST											
General obligation	1,246,199	1,236,056	1,423,138	1,305,252	1,299,051	1,282,559	2,235,085	1,713,677	1,072,365	1,918,056	2,122,002
ALL PURPOSE - TOTAL	11,297,500	11,467,272	11,751,638	11,751,936	11,784,238	11,800,112	13,524,998	13,863,257	13,876,990	13,877,253	14,187,159



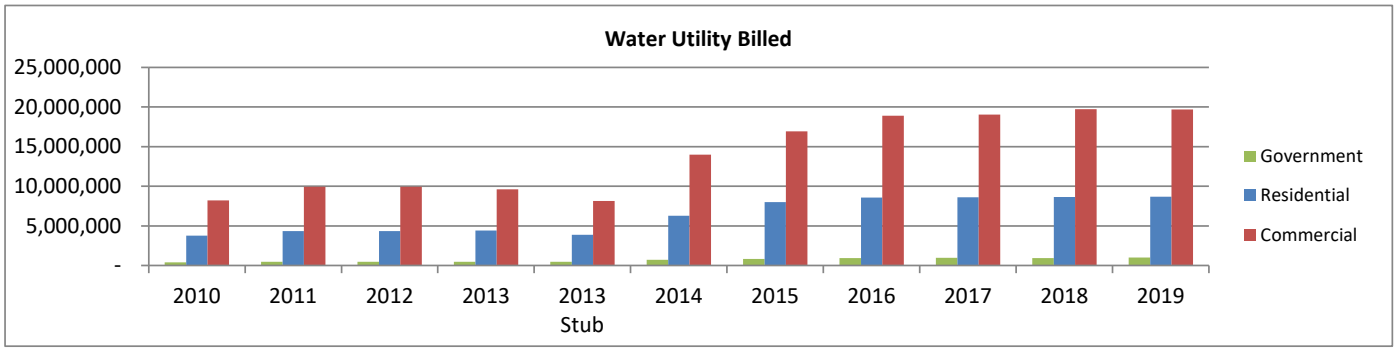
Source: "Certificate of Tax Extension", Office of the Macon County Clerk

City of Decatur, Illinois
Property Tax Information
Most Recent Fiscal Year

Taxes Assessed:	The owner of property on January 1, in any year, is liable for taxes for that calendar year.
Taxes Due:	Current taxes on real property may be paid in two equal installments. The first installment is due not later than June 1st, or 30 days after the issuance of property tax bills by the County Treasurer, and bears interest at the rate of 1 1/2% per month after June 1st, until paid or forfeited. The second installment is payable not later than September 1st, or 30 days after the issuance of property tax bills by the County Treasurer,and bears interest at the rate of 1 1/2% per month after September 1st until paid or forfeited.
Payable:	Property taxes are payable to the Macon County Treasurer.
Tax Sale:	Application for judgment and sale in cases where taxes are not paid is made during the month of October. A Monday in October is fixed for the date of the sale by the County Treasurer. Tax bills are sold to the bidder who offers to pay the accumulated amount of the tax and to charge thereon the lowest rate of interest. The maximum interest provided by law is 18% every six months for a period of two years. The purchaser of the tax bill is given a certificate of purchase for each piece of real estate.
Redemption:	Redemption may be made by the owner by payment of the tax bill in full to the County Clerk including 18% penalties, plus $4.00 service charge at any time before issuance of tax deed.
Tax Deed:	Two years and six months from the day of the annual tax sale, the holder of a certificate of purchase which has not been redeemed may, by fulfilling the statutory procedures and paying all subsequent tax bills, obtain a tax deed. This deed must be issued before the expiration of seven years after the annual tax sale or the certificate becomes void.

City of Decatur, Illinois
Water Utility Revenue
Most Recent Fiscal Years ($'s whole)

Fiscal Year	Water Utility Billed				Direct rate per 700 cubic feet		Actual Receipts
	Residential	Commercial	Government	Total	Domestic and Non-Domestic	Large Users	
2010	3,792,121	8,213,894	399,863	12,405,878	1.81	2.78	12,275,664
2011	4,356,560	9,941,636	476,239	14,774,435	2.08	3.19	14,589,805
2012	4,355,566	9,924,667	483,055	14,763,289	2.08	3.19	14,898,121
2013	4,422,817	9,618,089	482,404	14,523,310	2.08	3.19	14,865,522
2013 Stub	3,889,119	8,138,292	463,137	12,490,549	2.81	4.31	11,901,327
2014	6,278,627	13,994,091	727,710	21,000,428	3.65	5.60	20,258,789
2015	8,013,010	16,926,951	834,928	25,774,889	4.56	7.00	25,715,500
2016	8,580,181	18,893,937	932,841	28,406,959	4.67	7.18	28,458,953
2017	8,628,334	19,048,526	967,812	28,644,672	4.79	7.36	28,720,264
2018	8,653,326	19,711,126	927,899	29,292,351	4.91	7.54	29,408,513
2019	8,690,783	19,674,626	1,002,224	29,367,633	5.03	7.73	29,396,115



Note 1: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.

Source: City water utility records.

City of Decatur, Illinois
Water Utility Service Usage Rates
Most Recent Fiscal Years ($'s whole)

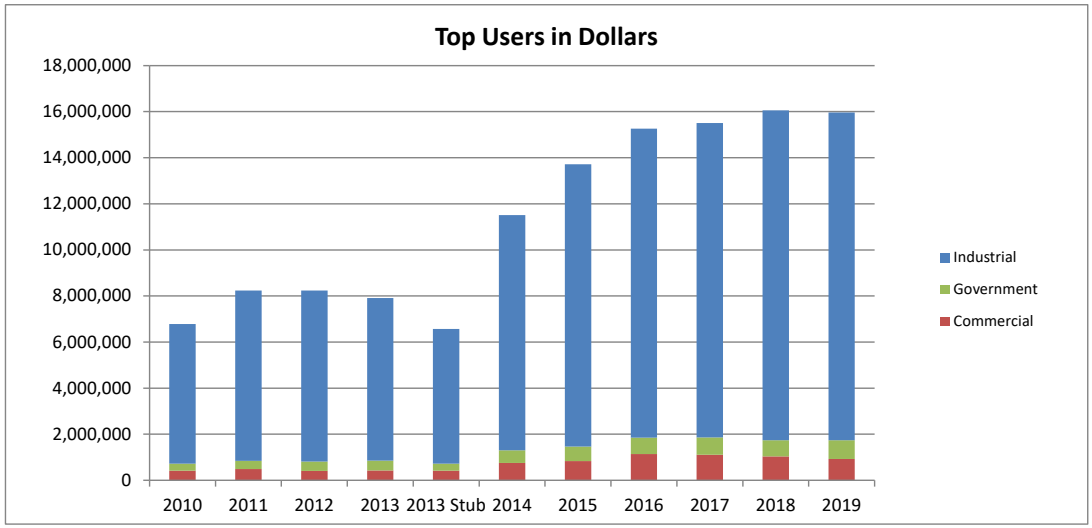
	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
Service Charge Per Meter											
Domestic-all meters (monthly)	$ 1.46	$ 1.68	$ 1.68	$ 1.68	$ 2.27	$ 2.95	$ 3.69	$ 3.78	$ 3.87	$ 3.97	$ 4.07
Non-Domestic & large Users (monthly)											
Meter size 5/8"-3/4"	3.95	4.55	4.55	4.55	6.14	7.98	9.98	10.23	10.49	10.75	11.02
Meter size 1"-1 1/2"	14.61	16.81	16.81	16.81	22.69	29.50	11.05	37.80	38.75	39.72	40.71
Meter size 2"-4"	51.58	59.31	59.31	59.31	80.07	104.09	39.00	133.36	136.69	140.11	143.61
Meter size 7"-12"	240.70	276.80	276.80	276.80	373.68	485.78	182.00	622.41	637.97	653.92	670.27
Meter size 14"-18"	988.57	1,136.85	1,136.85	1,136.85	1,534.75	1,995.18	747.50	2,556.33	2,620.24	2,685.75	2,752.89
Usage Charge-cu ft (monthly)											
Domestic and Non-Domestic											
1st 700	1.81	2.08	2.08	2.08	2.81	3.65	1.37	4.67	4.79	4.91	5.03
Next 1,500	1.64	1.89	1.89	1.89	2.55	3.32	1.24	4.25	4.36	4.47	4.58
Next 12,900	1.47	1.69	1.69	1.69	2.28	2.96	1.11	3.79	3.88	3.98	4.08
Next 18,300	1.18	1.35	1.35	1.35	1.82	2.37	0.89	3.03	3.11	3.19	3.27
Next 133,300	0.93	1.06	1.06	1.06	1.43	1.86	0.70	2.39	2.45	2.51	2.57
Next 833,300	0.87	1.00	1.00	1.00	1.35	1.76	0.66	2.26	2.32	2.38	2.44
Next 1,000 000	0.73	0.84	0.84	0.84	1.13	1.47	0.55	1.89	1.94	1.99	2.04
All Over 2,000,000	0.52	0.59	0.59	0.59	0.80	1.04	0.39	1.33	1.36	1.39	1.42
Large User											
1st 700	2.78	3.19	3.19	3.19	4.31	5.60	2.10	7.18	7.36	7.54	7.73
Next 1,500	2.51	2.89	2.89	2.89	3.90	5.07	1.90	6.50	6.66	6.83	7.00
Next 12,900	2.24	2.57	2.57	2.57	3.47	4.51	1.69	5.78	5.92	6.07	6.22
Next 18,300	1.80	2.07	2.07	2.07	2.79	3.63	1.36	4.65	4.77	4.89	5.01
Next 133,300	1.43	1.64	1.64	1.64	2.21	2.87	1.08	3.68	3.77	3.86	3.96
Next 833,300	1.32	1.52	1.52	1.52	2.05	2.67	1.00	3.42	3.51	3.60	3.69
Next 1,000 000	1.11	1.28	1.28	1.28	1.73	2.25	0.84	2.88	2.95	3.02	3.10
All Over 2,000,000	0.79	0.91	0.91	0.91	1.23	1.60	0.60	2.05	2.10	2.15	2.20

Note: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013.
Fiscal years 2014 and forward are January to December.

Source: City water utility records.

City of Decatur, Illinois
Water Utility Revenue by Consumer Segment
Most Recent Fiscal Years ($'s whole)

Fiscal Year	Total Water Billed	Revenue of Top 10 Customers in Category			Percentage of Total
		Industrial	Commercial	Government	
2010	12,405,878	6,061,450	413,922	306,451	54.7%
2011	14,774,435	7,392,843	486,471	359,514	55.8%
2012	14,763,289	7,417,264	405,983	411,138	55.8%
2013	14,523,310	7,062,469	428,789	423,603	54.5%
2013 Stub	12,490,549	5,847,655	417,114	309,270	52.6%
2014	21,000,428	10,204,423	755,799	550,203	54.8%
2015	25,774,889	12,244,488	830,996	636,899	53.2%
2016	28,406,959	13,409,402	1,141,112	711,030	53.7%
2017	28,644,672	13,646,653	1,106,204	753,377	54.1%
2018	29,292,351	14,315,180	1,038,577	703,020	54.8%
2019	29,367,633	14,220,548	928,174	815,869	54.4%



Note 1: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.

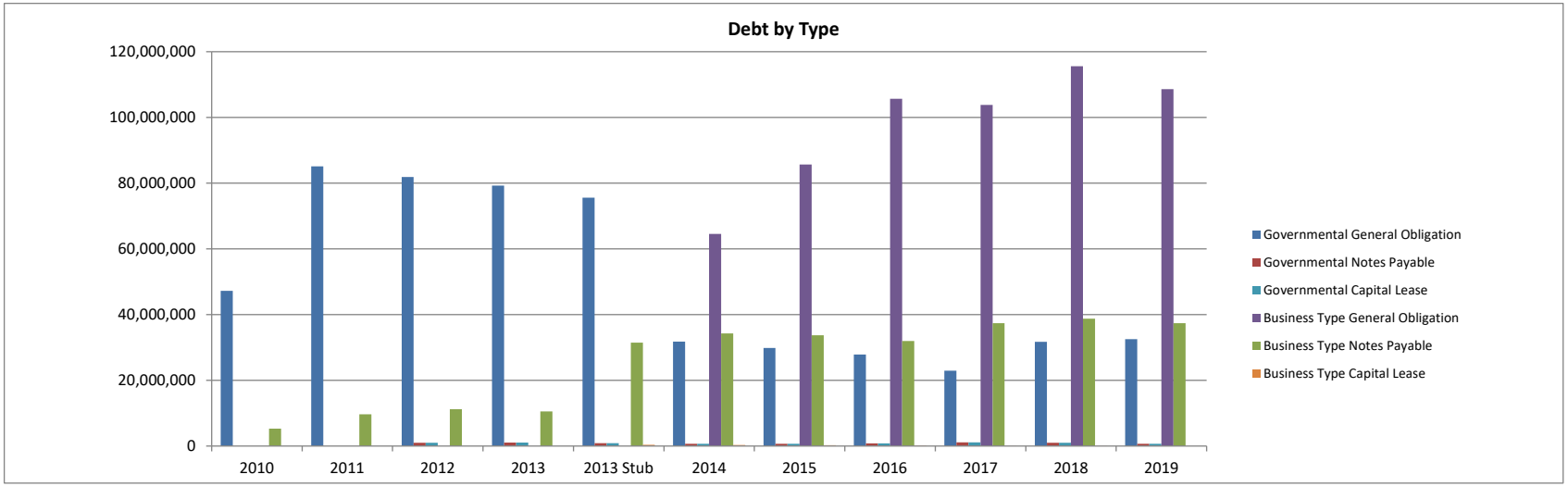
Source: City water utility records.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

City of Decatur, Illinois
Ratios of Outstanding Debt by Type
Most Recent Fiscal Years ($'s whole)

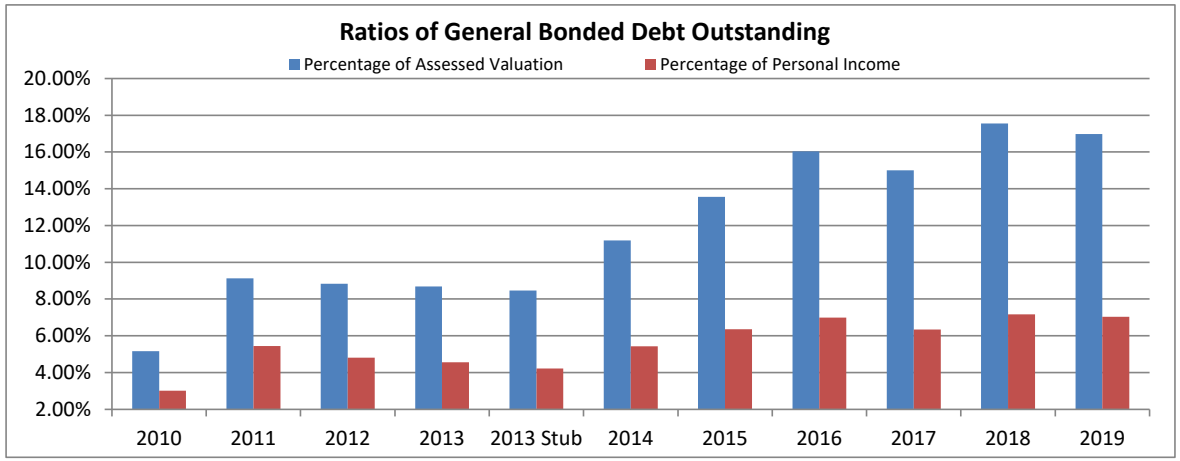
	Governmental Activities			Business-Type Activities						
Fiscal Year	General Obligation	Notes Payable	Capital Leases	General Obligation	Notes Payable	Capital Leases	Total Primary Government	Assessed Value	Percentage of Assessed Valuation	Per Capita
2010	47,194,649	9,171,000			5,288,262		61,653,911	912,014,180	6.76%	753
2011	85,102,316	2,580,000			9,659,529		97,341,845	928,543,809	10.48%	1279
2012	81,822,528	2,305,000	947,850		11,167,345		96,242,723	922,154,799	10.33%	1264
2013	79,221,881	2,025,000	1,051,721		10,487,213		92,785,815	910,633,770	10.19%	1219
2013 Stub	75,566,756	1,710,000	859,180		31,452,600	337,144	109,925,680	863,833,509	12.73%	1444
2014	31,754,484	3,022,070	665,690	64,509,272	34,223,632	289,887	134,465,035	838,097,609	16.04%	1766
2015	29,835,429	4,826,718	672,085	85,657,678	33,680,365	214,903	154,887,178	822,152,764	18.84%	2035
2016	27,807,841	5,268,074	781,031	105,669,747	31,922,990	138,347	171,588,030	827,227,091	20.74%	2254
2017	22,927,203	8,080,548	1,078,472	103,756,880	37,359,462	60,269	173,262,834	839,296,988	20.64%	2276
2018	31,704,267	7,895,800	965,100	115,586,234	38,733,058	1,319	194,885,778	833,357,715	23.39%	2560
2019	32,479,118	6,498,890	678,226	108,583,995	37,362,743	-	185,602,972	824,544,671	22.51%	2438
Percent of total debt	17.50%	3.50%	0.37%	58.50%	20.13%	0.00%	100.00%			



Note 1: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.
Note 2: Net position at December 31, 2013 includes reclassification of general obligation bond debt from governmental to business type activity.
Source: Comprehensive Annual Financial Report for relevant fiscal year, US Census Bureau

City of Decatur, Illinois
Ratios of Outstanding General Bonded Debt
Most Recent Fiscal Years ($'s whole)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Assessed Valuation	Percentage of Personal Income	Per Capita
2010	47,194,649	145,925	47,048,724	5.16%	3.02%	575
2011	85,102,316	316,303	84,786,013	9.13%	5.45%	1,114
2012	81,822,528	409,119	81,413,409	8.83%	4.81%	1,070
2013	79,221,881	159,400	79,062,481	8.68%	4.56%	1,039
2013 Stub	75,566,756	2,399,692	73,167,064	8.47%	4.22%	961
2014	97,263,756	3,437,184	93,826,572	11.20%	5.44%	1,233
2015	115,493,107	3,970,678	111,522,429	13.56%	6.35%	1,465
2016	133,477,588	814,740	132,662,848	16.04%	7.00%	1,743
2017	126,684,083	748,802	125,935,281	15.00%	6.34%	1,654
2018	147,290,501	987,515	146,302,986	17.56%	7.16%	1,922
2019	141,063,113	1,081,088	139,982,025	16.98%	7.03%	1,839



Note: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.

Source: Comprehensive Annual Financial Report for relevant fiscal year.

City of Decatur, Illinois
Governmental Direct and Overlapping Debt
Most Recent Fiscal Year ($'s whole)

	Debt Outstanding	Percentage of Debt Applicable to the City of Decatur	City of Decatur's Share of Debt
OUTSTANDING DEBT OBLIGATION OF CITY			
City of Decatur	$ 185,602,972	100.00%	$ 185,602,972
Less: Self-Supporting Debt[1]	(164,055,472)		(164,055,472)
Net Direct Bonded Debt payable from tax levy	$ 21,547,500		$ 21,547,500
OVERLAPPING DEBT			
Community Unit School District Number 1	$ 10,105,000	37.85%	$ 3,824,743
Community Unit School District Number 2[2]	3,132,000	11.62%	363,938
Community Unit School District Number 3[2]	9,850,000	10.67%	1,050,995
Community Unit School District Number 9[2][3]	2,865,000	0.65%	18,623
Community Unit School District Number 11	9,655,000	36.91%	3,563,661
Community Unit School District Number 15[2]	6,220,000	14.16%	880,752
Community Unit School District Number 61[2]	15,580,000	94.92%	14,788,536
Community Unit School District Number 100	275,000	0.02%	55
Decatur Park District[2]	-	97.00%	-
Richland Community College District Number 537[3]	11,595,000	34.46%	3,995,637
NET OVERLAPPING DEBT			$ 28,486,940
NET DIRECT DEBT AND OVERLAPPING DEBT			$ 50,034,440
2018 Estimated Full Valuation for Tax Levy 2018 payable in 2019			$ 2,473,634,013
2018 EAV for Tax Levy 2018 payable in 2019			$ 824,544,671
Population (Current Estimate)[4]			70,746
Full Valuation Per Capita			$ 34,965
Per Capita Net Direct Debt			$ 305
Per Capita Net Direct Debt and Overlapping Debt			$ 707

(1) City expects to continue to abate all of the property tax levies for debt service on its General Obligation Bonds, Series 2010B, Series 2013, Series 2014, Series 2015, Series 2016, Series 2017, and Series 2019B; and a portion of the tax levies for its General Obligation Bonds Series 2010C and Series 2018.

(2) Excludes outstanding principal amounts of general obligation "alternate revenue source" bonds that are anticipated to be paid from sources other than general taxation and self-supporting debt

(3) Excludes principal amounts of outstanding Debt Certificates.

(4) 2019 Population Estimate American Community Survey, U.S. Census Bureau

Sources: Office of the Macon County Clerk, City of Decatur Office of the City Treasurer, Municipal Securities Rulemaking Board's Electronic Municipal Market Access System.

Pension Information

These schedules offer statistics related to the City pension plans.

City of Decatur, Illinois
IMRF Pension Liability
Most Recent Fiscal Years (in 1,000s)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Pension Liability	n/a	n/a	n/a	n/a	n/a	n/a	101,325	103,177	104,988	109,252
Fiduciary Net Position										
Employer contributions	n/a	n/a	n/a	n/a	n/a	n/a	1,789	1,795	1,788	1,503
Member contributions	n/a	n/a	n/a	n/a	n/a	n/a	717	665	666	626
Investment income net of investments expenses	n/a	n/a	n/a	n/a	n/a	n/a	754	6,687	14,728	(4,447)
Benefit payments	n/a	n/a	n/a	n/a	n/a	n/a	(5,622)	(5,430)	(5,968)	(6,291)
Other expenses	n/a	n/a	n/a	n/a	n/a	n/a	(106)	(94)	(79)	(87)
Fiduciary ending net position	n/a	n/a	n/a	n/a	n/a	n/a	88,339	91,963	103,098	94,402
Net pension liability	n/a	n/a	n/a	n/a	n/a	n/a	12,986	11,214	1,890	14,849
Fiduciary net position as a % of total pension liability	n/a	n/a	n/a	n/a	n/a	n/a	87.18%	89.13%	98.20%	86.41%
Covered payroll	n/a	n/a	n/a	n/a	n/a	n/a	14,232	13,709	14,160	12,517
Net pension liability as a % of covered payroll	n/a	n/a	n/a	n/a	n/a	n/a	91.24%	81.80%	13.35%	118.63%
Employer Contribution Rate	n/a	n/a	n/a	n/a	n/a	n/a	12.45%	12.93%	12.27%	12.01%

Note 1: Plan year ending 12/31 of relevant prior year.
Source: Selected information from GASB 68 Disclosure

City of Decatur, Illinois
Police Pension Liability
Most Recent Fiscal Years (in 1,000s)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Pension Liability	n/a	n/a	n/a	n/a	140,208	145,917	150,548	159,530	163,434	169,356
Fiduciary Net Position	n/a	n/a	n/a	n/a	93,595	91,999	98,218	109,207	101,144	117,527
Fiduciary net position as a % of total pension liability	n/a	n/a	n/a	n/a	66.75%	63.05%	65.24%	68.46%	61.89%	69.40%
Employer contributions	n/a	n/a	n/a	n/a	4,277	4,229	4,213	4,441	4,714	4,991
Member contributions	n/a	n/a	n/a	n/a	1,186	1,240	1,251	1,174	1,365	1,271
Investment income net of investments expenses	n/a	n/a	n/a	n/a	5,790	24	8,168	13,313	(5,800)	18,630
Benefit payments	n/a	n/a	n/a	n/a	(6,103)	(6,825)	(7,061)	(7,523)	(8,103)	(8,414)
Administrative expenses	n/a	n/a	n/a	n/a	(65)	(265)	(352)	(415)	(239)	(96)
Net change in plan fiduciary net position	n/a	n/a	n/a	n/a	5,086	(1,596)	6,219	10,989	(8,063)	16,383
Net Pension liability	n/a	n/a	n/a	n/a	46,613	53,918	52,330	50,323	62,289	51,829
Covered payroll	n/a	n/a	n/a	n/a	12,228	12,391	11,997	12,421	12,800	12,800
Net pension liability as a % of covered payroll	n/a	n/a	n/a	n/a	381.21%	435.13%	436.20%	405.15%	486.63%	404.91%
Annual Required Contributions	n/a	n/a	n/a	n/a	4,159	4,026	4,168	4,354	4,728	4,327
Actual Contribution	n/a	n/a	n/a	n/a	4,277	4,229	4,213	4,441	4,714	4,991
Contribution Deficiency (Excess)	n/a	n/a	n/a	n/a	(118)	(203)	(45)	(87)	14	(663)
Actual Contribution as a % of covered payroll	n/a	n/a	n/a	n/a	34.98%	34.13%	35.12%	35.75%	36.83%	38.99%

Note 1: Plan year ending 12/31 of relevant year.
Source: Actuarial report for relevant fiscal year. Selected information from GASB 68 Disclosure

City of Decatur, Illinois
Firefighter Pension Liability
Most Recent Fiscal Years (in 1,000s)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Pension Liability	n/a	n/a	n/a	n/a	127,665	134,896	139,104	141,978	146,978	151,141
Fiduciary Net Position	n/a	n/a	n/a	n/a	70,843	69,122	72,310	79,119	74,300	85,398
Fiduciary net position as a % of total pension liability	n/a	n/a	n/a	n/a	55.49%	51.24%	51.98%	55.73%	50.55%	56.50%
Employer contributions	n/a	n/a	n/a	n/a	4,233	4,265	5,024	5,143	5,612	5,633
Member contributions	n/a	n/a	n/a	n/a	809	848	834	855	906	886
Investment income net of investments expenses	n/a	n/a	n/a	n/a	4,672	461	4,989	8,406	(3,609)	12,796
Benefit payments	n/a	n/a	n/a	n/a	(6,744)	(7,031)	(7,339)	(7,381)	(7,645)	(8,149)
Administrative expenses	n/a	n/a	n/a	n/a	(253)	(265)	(319)	(215)	(81)	(68)
Net change in plan fiduciary net position	n/a	n/a	n/a	n/a	2,718	(1,721)	3,188	6,808	(4,818)	11,098
Net Pension liability	n/a	n/a	n/a	n/a	56,821	65,774	66,794	62,860	72,678	65,743
Covered payroll	n/a	n/a	n/a	n/a	8,251	8,780	8,908	8,733	8,712	8,712
Net pension liability as a % of covered payroll	n/a	n/a	n/a	n/a	688.68%	749.17%	749.86%	719.83%	834.22%	754.63%
Annual Required Contributions	n/a	n/a	n/a	n/a	4,175	4,566	4,875	5,230	5,349	5,509
Actual Contribution	n/a	n/a	n/a	n/a	4,233	4,265	5,024	5,143	5,612	5,633
Contribution Deficiency (Excess)	n/a	n/a	n/a	n/a	(58)	301	(149)	87	(263)	(124)
Actual Contribution as a % of covered payroll	n/a	n/a	n/a	n/a	51.30%	48.58%	56.40%	58.90%	64.41%	64.65%

Note 1: Plan year ending 12/31 of relevant year.
Source: Actuarial report for relevant fiscal year. Selected information from GASB 68 Disclosure

Demographic and Economic Information

These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.

City of Decatur, Illinois
Demographics and Economic Statistics
Most Recent Fiscal Years

Fiscal Year	Population	Per Capita Personal Income	Personal Income (thousands of dollars)	Median Age	School Enrollment	Unemployment Rate
2010	81,860	19,009	1,556,007	37.2	16,877	12.8%
2011	76,122	19,009	1,556,007	37.2	16,896	9.7%
2012	76,122	22,229	1,692,116	39.1	16,350	9.4%
2013	76,122	22,756	1,732,232	39.2	17,240	10.3%
2013 Stub	76,122	22,756	1,732,232	39.0	16,280	12.4%
2014	76,122	22,677	1,726,219	39.4	16,324	8.7%
2015	76,122	23,058	1,755,221	39.6	16,411	8.2%
2016	76,122	24,913	1,896,427	39.8	15,728	7.0%
2017	76,122	26,111	1,987,622	40.0	14,670	5.1%
2018	76,122	26,826	2,042,049	40.1	14,867	6.3%
2019	76,122	26,160	1,991,352	40.3	15,021	5.2%

Note: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.

Source: Population, Per Capita Personal Income and Median Age information obtained from U.S. Census Bureau/Capital ESRI Demographic and Income Profile Report. School Enrollment from Macon-Piatt Regional Office of Education, Millikin University and Richland Community College. Unemployment rate obtained from U.S. Bureau of Labor Statistics.

City of Decatur, Illinois
Principal Employers
Current and Nine Years Ago

	December 31, 2019			April 30, 2010		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
Archer Daniels Midland Co.	4000	1	8.77%	4185	1	13.07%
Caterpillar, Inc.	3100	2	6.80%	2600	2	8.12%
Decatur Memorial Hospital	2300	3	5.05%	2313	3	7.22%
Decatur Public Schools	1800	4	3.95%	1512	4	4.72%
St. Mary's Hospital	1000	5	2.19%	1250	5	3.90%
Ameren aka Illinois Power Company	600	6	1.32%	1250	6	3.90%
The Kelly Group	600	7	1.32%			
Tate & Lyle fka AE Staley Mfg. Co.	600	8	1.32%	741	7	2.31%
Mueller Co., Inc.	600	9	1.32%			
Akorn Incorporated	600	10	1.32%			
Millikin University				631	8	1.97%
Macon County				525	9	1.64%
City of Decatur				519	10	1.62%

Source: Economic Development Foundation and Illinois Department of Employment Security

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

City of Decatur, Illinois
Operating Indicators by Function / Program
Last Ten Fiscal Years

Function	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
Public safety											
Police											
Calls for Service	58,443	59,766	58,800	60,729	42,430	58,088	59,072	56,319	57,559	60,228	58,829
Traffic Citations	16,650	13,072	10,530	11,591	8,567	11,870	8,938	8,632	7,835	8,557	9,263
Parking Tickets	1,124	1,015	1,504	1,866	1,306	1,473	892	1,188	1,116	889	941
Fire											
Call Outs	8,659	9,030	9,320	8,711	5,795	8,712	10,317	11,079	11,336	11,631	10,968
Inspections	206	1,450	265	789	1,142	1,509	1,262	793	1,294	1,227	1,065
Public works											
Street Surface Improv (LA MI)	37.4	4.6	5.2	16.7	4.1	4.0	3.3	13.9	18.1	10.0	5.4
Potholes Repaired	31,670	22,059	13,579	21,063	12,158	66,091	48,734	43,939	27,781	49,497	36,139
Pavement markings-paint (LF)	53,739	300	652,808	235,822	322,774	280,103	40,321	392,563	3,586	912,251	7,261
Culture and recreation											
Library Items Loaned	638,186	593,111	501,740	487,803	303,323	422,369	376,140	300,646	309,736	309,694	316,574
Extension (bookmobiles)	61,840	0	0	0	0	0	0	0	0	0	0
General Government											
Bldg Permits New Home	20	16	9	8	8	12	11	13	12	5	12
Bldg Permits New Home (Value)	$3,907,500	$1,307,070	$3,232,835	$2,051,000	$1,855,900	$1,908,700	$1,902,000	$2,047,000	$2,300,392	$1,484,800	$2,713,000
Bldg permits All Residential (Value)	$9,067,293	$8,793,456	$7,781,179	$8,790,906	$6,058,924	$7,502,246	$6,837,313	$7,558,641	$7,296,052	$6,143,655	$9,269,651
Bldg permits All Other (Value)	$53,135,825	$26,112,075	$55,983,451	$26,183,706	$31,109,047	$44,999,233	$42,366,920	$71,256,635	$70,854,944	$103,240,708	$73,065,617
Water											
Water Consumption (CU FT)	785,159,158	842,550,729	835,345,398	835,989,759	558,175,057	810,103,373	803,866,983	811,794,925	801,715,332	809,992,702	791,548,573
Metered Services	31,466	31,459	31,433	31,410	31,393	31,376	31,418	31,381	31,366	30,885	30,674
Sediment Dredged (Dry TON)	154,713	104,224	412,170	0	0	324,620	2,727,652	3,181,651	2,702,447	2,324,764	0
Parking											
Tickets Issued **Note 1**	15,310	15,617	15,524	6,984	4,045	7,606	6,127	4,567	4,700	4,697	3,252
Parking Lot Maintenance (Hours)	1,120	1,703	1,210	940	688	1,415	425	522	200	588	508
Mass Transit											
Buses & Trolleys (Ridership)	1,265,966	1,314,337	1,407,156	1,438,437	961,426	1,489,705	1,254,118	1,236,846	1,159,686	1,134,274	1,060,921
Paratransit Vans/Taxis	32,270	27,496	27,432	35,234	24,398	35,947	32,537	34,260	24,135	20,313	18,185
Waste removal											
Recycling (Pounds)	2,865,162	3,036,830	6,388,000	7,296,000	5,287,458	8,241,825	7,840,000	7,650,830	8,880,000	7,414,338	6,876,220
Sewer											
Sanitary Sewer Televised (LF)	150,000	225,000	330,000	211,266	176,783	304,500	286,388	287,572	241,700	270,795	139,093

Note 1: Parking meters were removed from the central parking zone in the Spring of 2012 reducing the number of parking meter related tickets issued in fiscal year 2013.
Note 2: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013.
Fiscal years 2014 and forward are January to December.
Source: City of Decatur Records

City of Decatur, Illinois
Capital Asset and Infrastructure Statistics by Function / Program
Most Recent Fiscal Years

Function	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
Public safety											
Police											
Patrol Units	41	54	45	53	45	44	38	38	42	39	37
Fire Stations	7	7	7	7	7	7	7	7	7	7	7
Public works											
Bridges	18	18	18	19	19	19	19	19	19	19	19
Sidewalks (ft)	536,944	536,944	536,944	544,144	548,044	548,044	548,044	544,144	550,044	550,044	550,044
Streets (sq yd)	1,473,854	1,477,259	1,477,259	1,496,995	1,496,995	1,509,977	1,522,959	1,592,488	1,592,488	1,592,488	1,592,488
Storm Sewers (ft)	288,204	288,204	288,204	288,204	288,204	288,204	288,204	288,204	288,204	288,204	288,204
Culture and recreation											
Library Bookmobiles	2	2	2	2	2	2	2	2	0	0	0
Water											
Water Mains (miles)	527	527	527	527	527	531	535	531	532	532	532
Maximum Daily Capacity (million of gallons)	36	36	36	36	36	36	36	36	36	36	36
Parking											
Garages	2	2	2	2	2	2	2	2	2	2	2
Lots	5	5	5	5	5	5	5	5	5	5	5
Mass Transit											
Buses	32	23	23	23	22	22	22	22	22	20	21
Trolleys	2	2	2	2	2	2	2	2	2	2	2
Sewer											
Sanitary Sewers (ft)	370,179	370,179	370,179	370,179	370,179	396,189	422,199	422,199	422,199	433,503	433,503

Note: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013.
Fiscal years 2014 and forward are January to December.
Source: City of Decatur Records

City of Decatur, Illinois
Full-Time Equivalent City Government Employees by Function
Most Recent Fiscal Years

	2010	2011	2012	2013	2013 Stub	2014	2015	2016	2017	2018	2019
Function											
General government	47	46	48	50	48	47	48	48	50	43	45
Public safety											
Police											
Officers	165	161	163	164	158	151	160	158	148	154	141
Civilians	25	25	29	31	28	29	32	28	30	7	8
Fire											
Firefighters and officers	116	115	111	116	110	106	110	109	108	102	108
Civilians	2	2	2	2	1	1	1	1	1	1	1
Public works	71	70	73	71	68	65	65	66	67	63	68
Development Service	28	28	29	24	21	19	20	18	19	21	20
Water	46	47	43	42	38	43	45	45	41	42	42
Civil City full time head count	500	494	498	500	472	461	481	473	464	433	433
Additional Full Time Staff											
Library	39	34	36	36	29	28	27	24	27	28	28
Full Time Equivalent of Temporary Staff											
General government	1					1	1				
Public safety								1	1	1	1
Library	13	13	13	14	13	11	11	8	8	7	6
Water	3	4	4	3	5	3	3	3	4	3	3
Total full time equivalent employees	17	17	17	17	18	15	15	12	13	11	10
Total Full-time Equivalent	556	545	551	553	519	504	523	509	504	472	471

Source: City of Decatur Records.

Note 1: Fiscal years 2010 to 2013 include the months of May to April. "2013 Stub" was a transition fiscal period consisting of months May, 2013 to December, 2013. Fiscal years 2014 and forward are January to December.

Note 2: Fiscal year 2018 outsourced 21 employees from Police Emergency Communications to Central Illinois Regional Dispatch Center (CIRDC).

City of Decatur
Insurance Coverage
Coverage Effective October 1, 2019 to October 1, 2020

	Limit Type	$ Limit	Basis	Deductible SIR	Maintenance Deductible	Annual Premium
Commercial Package Property & Liability	Includes Premium, surplus lines tax, stamping fee, fire marshal tax and TRIA					$ 272,025
Property coverage						
Property	Limit			150,000	1,000	included above
Automobile physical damage	Limit	$ 1,000,000	each occurrence	25,000	1,000	included above
Mobile equipment	Limit	$ 1,000,000		75,000	1,000	included above
Flood & surface water	Limit	$ 1,000,000	each occurrence / annual aggregate	150,000		included above
Earthquake	Limit	$ 1,000,000	each occurrence / annual aggregate	150,000		included above
Named windstorm	Limit	$ 1,000,000	each occurrence	150,000		included above
Business income w/wo rental value	Limit	$ 550,000	each occurrence	150,000		included above
Excess loss fund protection limit	Limit	$ 1,000,000	annual aggregate	150,000		included above
Additional property coverage						
Data processing systems / media	Limit	$ 1,000,000				included above
Data processing extra expense	Limit	$ 523,444				included above
Valuable papers	Limit	$ 1,000,000				included above
Fine arts	Limit	$ 634,350				included above
Accounts receivable	Limit	$ 386,000				included above
Extra expense	Limit	$ 951,525				included above
Mobile equipment	Limit	$ 1,000,000				included above
Transit	Limit	$ 1,000,000				included above
Rental value	Limit	$ 550,000				included above
Automatic acquisition clause	Limit	$ 1,000,000				included above
General Liability coverage						
General liability	Limit	$ 10,000,000	each occurrence / annual aggregate	150,000		included above
Law enforcement liability	Limit	$ 10,000,000	each occurrence / annual aggregate	150,000		included above
Errors & omissions	LimitSub	$ 10,000,000	each occurrence / annual aggregate	150,000		included above
Employment practice	Sublimit	$ 10,000,000	each occurrence / annual aggregate	150,000		included above
Sexual harassment	Sublimit	$ 10,000,000	each occurrence / annual aggregate	150,000		included above
Sexual abuse	Sublimit	$ 10,000,000	each occurrence / annual aggregate	150,000		included above
Employee benefits	Limit	$ 10,000,000	each occurrence / annual aggregate	150,000		included above
Business Auto						
Automobile liability	Limit	$ 10,000,000	each accident	150,000		included above
Uninsured/Underinsured motorist	Limit	$ 20,000	any one person			included above
Uninsured/Underinsured motorist	Limit	$ 40,000	any one occurrence			included above

City of Decatur
Insurance Coverage
Coverage Effective October 1, 2019 to October 1, 2020

	Limit Type	$ Limit	Basis	Deductible SIR	Maintenance Deductible	Annual Premium
Excess Property						$ 73,054
Property & automobile phys damage	Limit	$ 212,489,479		1,150,000		included above
Flood & earthquake	Sublimit	$ 11,150,000		-		included above
Additional coverage						
Ordinance or law	Sublimit	$ 1,000,000				included above
Vehicles	Sublimit	$ 17,891,064				included above
Newly acquired locations	Sublimit	$ 2,000,000				included above
Municipal sales tax revenues	Limit	$ 11,000,000				included above
Equipment Breakdown						$ 5,918
Blanket	Limit	$ 100,000,000		5,000		included above
Additional coverage						
Ammonia contamination		$ 1,000,000				included above
Expediting expense		$ 1,000,000				included above
Water damage		$ 1,000,000				included above
Electronic data		$ 1,000,000				included above
Spoilage		$ 1,000,000				included above
Debris removal		$ 1,000,000				included above
Business income loss of utilities		$ 1,000,000				included above
Business income pollutant clean-up		$ 100,000				included above
Fungus pollutant clean-up removal		$ 50,000				included above
Pair and Set		$ 50,000				included above
Equipment Breakdown (cont.)						
Preparation of loss fees		$ 50,000				included above
Off premises property damage		$ 1,000,000				included above
Unintentional error & omissions		$ 100,000				included above
Pollutant Clean Up or Removal		$ 100,000				included above
Business income dependent premises		$ 1,000,000				included above
Blanket		$ 250,000				included above

City of Decatur
Insurance Coverage
Coverage Effective October 1, 2019 to October 1, 2020

	Limit Type	$ Limit	Basis	Deductible SIR	Maintenance Deductible	Annual Premium
Crime						$ 3,050
EE theft	Limit	$ 500,000	per loss coverage	5,000		included above
Forgery or alteration	Limit	$ 500,000	single loss	5,000		included above
Inside premises	Limit	$ 500,000	single loss	5,000		included above
Outside premises	Limit	$ 500,000	single loss	5,000		included above
Computer fraud	Limit	$ 500,000	single loss	5,000		included above
Funds transfer fraud	Limit	$ 500,000	single loss	5,000		included above
Money orders & counterfeit currency	Limit	$ 500,000	single loss	5,000		included above
Impersonation Fraud coverage	Limit	$ 100,000	single loss	25,000		included above
Credit Debit or Charge Card Forgery	Limit	$ 500,000	single loss	5,000		included above
Faithful Performance of Duty	Limit	$ 500,000	single loss	5,000		included above
Cyber Liability						$ 12,123
Privacy liability	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Cyber incident response service	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Non panel response provider	Limit	$ 250,000	each claim / aggregate	25,000		included above
Network extortion	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Digital data recovery	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Business interruption	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Cyber privacy network security	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Payment card loss	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Regulatory proceedings	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Electronic social and printed media	Limit	$ 1,000,000	each claim / aggregate	25,000		included above
Aggregate limit for all coverage	Limit	$ 1,000,000				included above
Excess Workers Compensation						$ 600,542
Workers compensation	Limit	$ 50,000,000	per occurrence	500,000		included above
Employer liability	Limit	$ 1,000,000	per occurrence	500,000		included above
Payroll exposure	Value	$ 35,035,802	payroll estimation			
Excess Liability	Includes Premium, surplus lines tax, stamping fee, and TRIA					$ 27,189
General Liability Umbrella	Limit	$ 5,000,000	each occurrence / annual aggregate	-		included above
Crisis Protect	Includes Premium, estimated surplus lines tax					$ 40,446
1st Party including act of:	Limit	$ 1,000,000	any one occurrence	-		included above
Terrorism						included above
Civil commotion						included above
Sabatoge						included above
Visious attack						included above
Broker Fee						
Arthur J Gallagher						$ 65,000
Total Cost						$ 1,099,347

Data source: City of Decatur Office of the City Treasurer

IX Single Audit Section

CITY OF DECATUR, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Department of Housing and Urban Development				
Direct Programs				
CDBG Entitlement Grants	14.218	NA	$ -	$ 26,721
	14.218	NA	-	2,802
	14.218	NA	-	22,752
	14.218	NA	-	55,403
	14.218	NA		470,991
	14.218	NA	-	452,494
Subtotal CDBG Entitlement Grants Cluster			-	1,031,163
HOME Investment Partnerships Program in Affordable Grants/Entitlement Grants	14.239	NA	-	15,690
	14.239	NA	-	7,698
	14.239	NA	-	31,511
	14.239	NA		202,203
	14.239	NA	-	29,202
Subtotal HOME Investment Partnerships Program in Affordable Grants/ Entitlement Grants			-	286,304
Total Department of Housing and Urban Development			-	1,317,467
Department of Justice				
Direct Programs				
Bulletproof Vest Partnership Program	16.607	NA	-	7,546
	16.607	NA	-	6,655
Total Department of Justice			-	14,201
Department of Transportation				
Passed-Through Illinois Department of Transportation				
Federal Highway Administration	20.205	D-97-009-19	-	979,493
Federal Highway Administration	20.205	19-1009-6847	-	186,347
Federal Highway Administration	20.205	20-1009-12795	-	65,483
Federal Highway Administration	20.205	17-751-04201	-	12,520
Subtotal Highway Planning and Construction Cluster			-	1,243,843
STEP Grant	20.600	AP-19-0072	-	46,975
STEP Grant	20.600	AP-20-0069	-	8,474
Subtotal Highway Safety Cluster			-	55,449
Subtotal Passed-Through Illinois Department of Transportation			-	1,299,292

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF DECATUR, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Direct Programs				
Federal Transit Formula Grants	20.507	NA	$ -	$ 77,664
Federal Transit Formula Grants	20.507	NA	-	21,501
Federal Transit Formula Grants	20.507	NA	-	971,694
Federal Transit Formula Grants	20.507	NA	-	900,000
Subtotal Federal Transit Formula Grants			-	1,970,859
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	NA	-	2,703,709
Subtotal Federal Transit Formula Cluster			-	4,674,568
Total Department of Transportation			-	5,973,860
National Endowment for the Humanities				
Direct Programs				
Project Next Generation	45.310	NA	-	14,600
Project Next Generation	45.310	NA	-	2,657
Total National Endowment for the Humanities			-	17,257
Total Expenditures of Federal Awards			$ -	$ 7,322,785

See accompanying Notes to Schedule of Expenditures of Federal Awards.

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).* Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Mayor and City Council
City of Decatur, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Decatur, Illinois (City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 29, 2020. Our report includes a reference to other auditors who audited the financial statements of the Civic Center, as described in our report on the City's financial statements. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Decatur, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Champaign, Illinois
June 29, 2020

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Mayor and City Council
City of Decatur, Illinois

Report on Compliance for Each Major Federal Program

We have audited City of Decatur, Illinois' (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2019. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Mayor and City Council
City of Decatur, Illinois

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2019-001, 2019-002 and 2019-003 that we consider to be significant deficiencies.

The City's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questions costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Champaign, Illinois
June 29, 2020

CITY OF DECATUR, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
   - Material weakness(es) identified? _____ yes ____x____ no
   - Significant deficiency(ies) identified? reported _____ yes ____x____ none
3. Noncompliance material to financial statements noted? _____ yes ____x____ no

Federal Awards

1. Internal control over major federal programs:
   - Material weakness(es) identified? _____ yes ____x____ no
   - Significant deficiency(ies) identified? ____x____ yes _____ no
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____x____ yes _____ no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
20.507/20.526	Federal Transit Formula Cluster
20.205	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? _____ yes ____x____ no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

FINDING 2019 – 001

Federal agency: U.S. Department of Transportation

Federal program title: Highway Planning and Construction

CFDA Number: 20.205

Pass-Through Numbers: D-97-009-19/ 19-1009-6847/ 20-1009-12795/ 17-751-04201

Award Period: 2018-2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Federal guidelines require progress reports and federal financial reports (FFR) to be submitted on a quarterly basis. Proper internal controls require a review process over the reports to ensure accuracy and timeliness.

Condition: Quarterly reports are prepared and submitted by the same individual without review prior to submission. Additionally, allowable expenditures of $4,000 were incurred but not included on a quarterly filling.

Questioned costs: None

Context: Quarterly reports filed in fiscal year 2019 had no documented review completed prior to submission. One quarterly report did not contain all expenditures that could have been requested for reimbursement and was not caught in a review prior to submission (19-1009-6847/7/1/18 to 12/31/19).

Cause: The City put a policy into place for the Decatur Public Transit System effective December 2017 for a City official to review information prior to submission to the granting agency, however the policy was not put in place at other departments that submit reporting for federal expenditures.

Effect: A lack of internal control over reporting can allow for expenses reported incorrectly and lack of timely reporting.

Repeat Finding: N/A

Recommendation: We recommend implementing a policy for all departments to ensure all reports are properly reviewed for accuracy and timeliness. The reviews should be documented.

Views of responsible officials: The City of Decatur recognizes and accepts the audit finding as presented.

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

FINDING 2019 – 002

Federal agency: U.S. Department of Transportation

Federal program title: Highway Planning and Construction/Federal Transit Formula Grants

CFDA Number: 20.205/20.507/20.526

Pass-Through Numbers: D-97-009-19/ 19-1009-6847/ 20-1009-12795/ 17-751-04201
IL-2019-006-00/ IL-2020-PND-00

Award Period: 2017-2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Federal guidelines require the entity to have procedures documented to verify the vendor of a covered transaction (over $25,000) is not debarred, suspended, or otherwise excluded from participating in the transaction, prior to entering into a covered transaction.

Condition: During the course of the audit, it was noted that the City does not have a policy or procedure in place for certain departments to verify whether a contractor or vendor is suspended or debarred and the Decatur Public Transit System did not follow policies for suspended or debarred in place for all covered transactions. CLA completed the SAM search and none of the vendors where suspended or debarred and therefore no compliance or questioned costs.

Questioned costs: None

Context: We noted this in eight of ten transactions tested, for in which there was no documentation maintained as to whether the vendor was suspended or debarred.

Cause: The City procurement policy, separate from the Decatur Public Transit System policy, does not have written policies for suspension and debarment compliance.

Effect: A lack of internal control procedures can lead to noncompliance with grant requirements.

Repeat Finding: N/A for this program.

Recommendation: We recommend updating written policies and ensuring a procedure is in place to verify vendors or contractors are not suspended or debarred from doing business and maintaining documentation of this.

Views of responsible officials: The City of Decatur recognizes and accepts the audit finding as presented.

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

FINDING 2019 – 003

Federal agency: U.S. Department of Transportation

Federal program title: Highway Planning and Construction

CFDA Number: 20.205

Pass-Through Numbers: D-97-009-19/ 19-1009-6847/ 20-1009-12795/ 17-751-04201

Award Period: 2019-2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Condition: The City didn't not provide supporting documentation to detail the history of the procurement as required by Uniform Grant Guidance. In discussion with the client and with the supporting documentation that was provided, there was evidence that open competition did occur, however the documentation for cost analysis was not completely documented.

Questioned costs: None

Context: The City's procurement policy has not been updated to Uniform Grant Guidance, except for a specific policy developed for the Decatur Public Transit System.

Cause: The City put a policy into place for the Decatur Public Transit System effective January 1, 2018 however the policy was not put in place at other City Departments.

Effect: A lack of internal control procedures can lead to noncompliance with grant requirements.

Repeat Finding: None.

Recommendation: We recommend updating the procurement policy per the new Uniform Guidance, for all departments, and maintaining the appropriate cost analysis documents as per the policy.

Views of responsible officials: The City of Decatur recognizes and accepts the audit finding as presented.

X CONSOLIDATED YEAR-END FINANCIAL REPORT

CITY OF DECATUR, ILLINOIS
CONSOLIDATED YEAR-END FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2019

CSFA Number	Program Name	State Expenditures	Federal Expenditures	Other Expenditures	Total Expenditures
494-00-1009	Metropolitan Planning Program	$ 62,957	$ 251,829	$ -	$ 314,786
494-00-1437	State Planning Funds	-	12,520	58,026	70,546
494-00-1488	Motor Fuel Tax Program	3,518,194	-	-	3,518,194
494-00-1671	Illinois Competitive Freight Program	-	979,493	224,873	1,204,366
494-10-0343	State and Community Highway Safety/ National Priority Safety Program	-	55,449	-	55,449
494-80-1141	Transit Downstate Operating Assistance Program	3,933,037	-	246,096	4,179,133
494-80-1284	Transit Downstate Transit Improvement Fund Program	1,728,603	-	-	1,728,603
	Other Grant Programs and Activities	-	6,023,494	721,664	6,745,158
	All Other Costs Not Allocated	-	-	107,953,759	107,953,759
	Total	$ 9,242,791	$ 7,322,785	$ 109,204,418	$ 125,769,994

Note: Expenditures presented in accordance with the Grant Accountability and Transparency Act (30 ILCS 708).

Decatur, Illinois
Home to:

- *Decatur Celebration*
- *Scovill Zoo*
- *Rock Springs Nature Center*

Scovill Zoo

- *Millikin University*
- *Richland Community College*
- *Kirkland Fine Arts Center at Millikin University*
- *Birks Museum at Millikin University*
- *Decatur Area Arts Council*

Decatur Area Arts Council

Fairview Park Pavillion

- *Macon County History Museum*
- *Children's Museum of Illinois*
- *Hieronymus Mueller Museum*
- *Chevrolet Hall of Fame Museum*
- *African American Cultural Museum*
- *David Erlenson Gallery at Richland CC*
- *Anne Lloyd Gallery & Madden Arts Center*
- *Oglesby Mansion*
- *James Millikin Homestead*
- *Friends Creek Conservation District*
- *Decatur Parks System & Trails*

City of Decatur, Illinois

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